



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
AMENDMENT # 7
RFP # 317.03-134**

January 30, 2006

The subject RFP is hereby amended as follows.

A. The following RFP Schedule of Events updates or confirms scheduled RFP dates.

EVENT	TIME	DATE	UPDATED/ CONFIRMED
1. State Issues RFP		October 21, 2005	CONFIRMED
2. Disability Accommodation Request Deadline		October 28, 2005	CONFIRMED
3. Pre-proposal Conference	10:00 a.m.	November 1, 2005	CONFIRMED
4. Notice of Intent to Propose Deadline		November 7, 2005	CONFIRMED
5. Written Comments Deadline		November 14, 2005	CONFIRMED
6. State Responds to Written Comments		December 13, 2005	CONFIRMED
7. Follow-Up Written Comments Deadline		December 22, 2005	CONFIRMED
8. State Responds to Follow-Up Written Comments		January 30, 2006	UPDATED
9. Initial Technical Proposal Deadline	2:00 p.m.	February 13, 2006	UPDATED
10. Complete Initial Technical Proposal Scoring		March 10, 2006	UPDATED
11. Software Demonstrations		March 13 – March 31, 2006	UPDATED
12. State Completes Initial Technical Proposal Evaluations		April 3, 2006	UPDATED
13. State Distributes BAFO Requests		April 20, 2006	UPDATED
14. Conduct Pre-BAFO Proposal Conference (If Required)		April 26, 2006	UPDATED
15. BAFO Proposal (Technical and Cost) Deadline	2:00 p.m.	May 5, 2006	UPDATED

16.	State Completes BAFO Technical Proposal Evaluation		May 15, 2006	UPDATED
17.	State Opens BAFO Cost Proposals and Calculates BAFO Final Scores	3:00 p.m.	May 16, 2006	UPDATED
18.	State Issues Evaluation Notice <u>and</u> Opens RFP Files for Public Inspection	9:00 a.m.	May 17, 2006	UPDATED
19.	Contract Negotiations with Software Providers		May 18 – May 24, 2006	UPDATED
20.	Contract Signing		June 2, 2006	UPDATED
21.	Contract Signature Deadline		June 12, 2006	UPDATED
22.	Vendor Submits Letter of Credit		June 15, 2006	UPDATED
23.	Contract Start Date		July 5, 2006	UPDATED

- B. INFORMATIONAL NOTICE 1:** Several of the Written Comments contained herein pertain to contract issues. Whenever possible, the State has endeavored to compromise and provide clear responses with regard to these issues; however, it is not possible to accommodate every vendor request. In some cases, the State may be willing to negotiate with the software provider(s) associated with the apparent best-evaluated Proposer after the Best and Final Offer (BAFO) evaluation process is complete. In other cases, the State is simply unable, either now or in the future, to accept the vendor's proposed language. See Amendment # 7, Attachment 3, for a general discussion of the items which the State considers "non negotiable." Notwithstanding the above, the State does not intend to negotiate with the best-evaluated Proposer ("Integrator").

In the responses below, the State will answer the Written Comments as clearly as possible, indicating: (1) items on which language compromises are possible at the present time, (2) items which may be negotiated after apparent award, and (3) items which are non-negotiable. In the latter case, the State's position will be firmly stated, and the vendor should not expect the State to alter its position or negotiate further at any point in this process.

In addition, vendors must not construe the State's willingness to negotiate as any form of commitment to resolve the issue to the satisfaction of the vendor. If necessary, the State will negotiate with the software providers associated with the best-evaluated Proposer. If the State cannot arrive at a solution that is acceptable to the State, the State reserves the right to cease negotiations with the software provider in question, and explore other award options. For example, if the State and the software provider are ultimately unable to reach an agreement and the apparent best-evaluated Proposer is unable to resolve the issue, then State reserves the right to cancel the award to the apparent best-evaluated Proposer and devolve to the next-best-evaluated Proposer. In this case, the State would make an apparent award to the next-best-evaluated Proposer and enter into negotiations with the software providers associated with that Proposer. Note that with regard to negotiations pertaining to software substitution (Informational Notice 2, below), the State will not allow substitution of the Primary Software Vendor's software.

In any event, the State intends to use RFP Attachment 6.19: *Pro Forma* Software License as the primary agreement between the State and the vendor with regard to the provision of software and

software-related services. However, the State agrees to include the vendor's license agreement as a part of the State's Software License. If this is done, any and all vendor license agreements shall be included (in original or modified form) as attachment(s) to the State's Software License, and shall fall, in order of precedence, beneath the State's Software License (see Amendment # 7, Item VV). The State's signature on the State's Software License shall constitute the State's written agreement to the provisions so included. The State will not sign separate vendor licensing agreements. Moreover, in the event of any conflict between the terms of the State's Software License and the terms of any vendor licensing agreements, the terms of the State's Software License shall prevail. In addition, the State reserves the right to modify the vendor's software licensing provisions prior to agreeing to them, if the State deems this necessary in order to meet State legal requirements. (See Amendment # 7, Item KK.) In addition, vendors should note that, depending on the number of software providers, the State may enter into multiple Software Licenses. In this case, the State will use the State's Software License as the primary agreement, as described above.

- C. INFORMATIONAL NOTICE 2:** Vendors are aware that they must request exceptions to propose any non-State standard software, in accordance with RFP Attachment 6.11, Section 6.11.6. In the event that a vendor wishes to change a software component after the State has already approved its list of software exceptions, or the vendor discovers an additional software component for which it should have requested an exception, the vendor may still propose the software in question. However, the State may decide to disallow the software. In this case, the Proposer's only choice is to replace the software with a State-standard equivalent, or demonstrate that there is no State-standard equivalent. See RFP Attachment 6.11.6, Item c, as amended (Amendment # 7, Item FF). Any software substituted after the Software Demonstrations have been completed must be equivalent to the software originally proposed and demonstrated to the State. Given this rule of equivalence, the State will not rescore Software Demonstrations as a result of the software substitution. However, the State may rescore other sections of the Technical Proposal as described in the BAFO process. In addition, note that the State will not allow substitution of the Primary Software Vendor's software.
- D. INFORMATIONAL NOTICE 3:** As described in RFP Attachment 6.2.b, all Software Providers of non-State standard software must sign a *Software Provider Statement of Certifications and Assurances*. The State is amending this document to accommodate the State's willingness to negotiate with the Software Provider(s) associated with the apparent best-evaluated Proposer (see Informational Note 1, above). RFP Attachment 6.2.b, Item 1), as amended, now reads: "This statement constitutes a commitment and confirmation that the Software Provider shall accept terms and conditions substantially similar to those set out in RFP Attachment 6.19, Software License." See Amendment # 7, Item UU and Attachment 4.
- E. INFORMATIONAL NOTICE 4:** Due to the significant amount of amendments to the RFP, the State has published a revised copy of the *ERP RFP*, which will incorporate all amendments to date. The revised RFP will supersede the existing RFP on the following website, and will be designated as a revised version:

<http://state.tn.us/finance/oir/pcm/rfps.html>

provided that the revised document complies with and reflects only the original approved RFP document and Amendments # 1 through # 7 (with the exception this Section E of Amendment # 7).

- F. The following State responses to the questions detailed shall amend or clarify this RFP accordingly.**

	Written Comment	State Response
	Note: in the questions that follow, any vendor's	

	Written Comment	State Response
	restatement of the text of the Request for Proposals (RFP) is for reference purposes only and shall not be construed to change the original RFP wording.	
1	Is there a list of potential bidders or a list of conference attendees available? If so could it be e-mailed to me?	A list of Pre-Proposal Conference Attendees has been published on the following website: http://state.tn.us/finance/oir/pcm/rfps.html
2	<p>Good afternoon, sir. [VENDOR NAME DELETED] is going to respond to this RFP, and I have begun entering responses into the Excel spreadsheets. However, section 6.8 and 6.9 contain drop-down Vendor Response Code fields that do not accept any values. I checked your web site today and downloaded the latest version of these two documents, but they still have the same problems.</p> <p>Is it possible for you to check the templates? In particular on 6.8 the Fleet and Plant sections will not accept values, and other sections in that document simply don't validate the entry at all.</p>	The most recent versions of RFP Attachments 6.6, 6.8, and 6.9 were published with Amendment # 5. At this time the State believes all remaining problems with RFP Attachments 6.8 and 6.9 have been resolved.
3	Good afternoon, sir, we are looking over Amendment 2 and the updated templates, and I have tested 6.9, which appears to still refuse to accept values in the Vendor Code field. Can you confirm please?	See Amendment # 7, Item F, Written Comment # 2.
4	In Section 6.10.2.1 - Functional Needs Overview there is a reference to the worksheet titled "TDOT". I reviewed both spreadsheets under the Functional Requirements tab and did not find a worksheet titled TDOT. Can you please clarify the location of this worksheet?	This problem was resolved in Amendment # 4, Item OO.
5	<p>Good morning - I have completed the matrix for 6.8 by taking the latest version posted, which allows most sections to accept vendor codes in that field. The General Requirements 6.9 section is still inoperable, so I plan to cut and paste the first two columns into a new spreadsheet and respond using that. Is this sufficient to satisfy your requirements?</p> <p>Since my last e-mail you may have made progress in repairing the templates, and I can wait a few days if that is the case. Please let me know what your thinking is on this subject, and thanks for your help.</p>	See Amendment # 7, Item F, Written Comment # 2.
6	<p>Will the State please clarify between the following deliverables and work products:</p> <ul style="list-style-type: none"> ◆ Project Plan (in RFP) ◆ Project Plan (in ITM) ◆ Work Plan (in RFP) ◆ Project Charter (in RFP) <p>Some of the names seem to be used interchangeably, for example Project Plan and Work Plan in the RFP seem to mean a Microsoft Project document. However, Project Plan in the ITM is more of a narrative document containing project controls and standards, more like a Project Charter.</p>	The Project Plan requested in Section 6.12.1.3, RFP Attachment 6.12, has been clarified to be the Project Work Plan. See Amendment # 7, Item GG.
7	Does the State of Tennessee currently have a Data Center/Computer Room?	The State has a Data Center located in Nashville.
8	Does the State of Tennessee currently have a secondary (Data Center) Disaster Recovery site?	The State currently has a contract with IBM for Disaster Recovery services. Plans are to develop a secondary State Data Center as a Disaster Recovery site.
9	On section 6.11.2.1.5 is the intention to have Computer Room	No, the State already has security and environmental

	Written Comment	State Response																				
	security and environmental controls implemented as part of this ERP contract?	controls in place at the Data Center.																				
10	<p>Please clarify the following requirements. The requirements seem to pertain to retail POS. What does the state do that creates these requirements?</p> <table><tr><td>AR 94.00</td><td>System provides for scanned barcode sales at the cash register and have the sales price of the good added to the sales total.</td></tr><tr><td>AR 95.00</td><td>System will optionally allow the sales person to enter the barcode number and have the sales price of the good added to the sales total.</td></tr><tr><td>AR 96.00</td><td>System will automatically adjust inventory based upon completion of the sales or return event.</td></tr><tr><td>AR 97.00</td><td>System allows for processing return of goods transactions with proper controls.</td></tr><tr><td>AR 98.00</td><td>System will process an increase or decrease of sales price across all items or within a category of items.</td></tr><tr><td>AR 99.00</td><td>System will calculate the markup amount per item.</td></tr><tr><td>AR 100.00</td><td>System allows users to build multiple composite sales tax rates (i.e., state = 6%, city = 1.5 %, and county = .5% for composite rate of 8%).</td></tr></table>	AR 94.00	System provides for scanned barcode sales at the cash register and have the sales price of the good added to the sales total.	AR 95.00	System will optionally allow the sales person to enter the barcode number and have the sales price of the good added to the sales total.	AR 96.00	System will automatically adjust inventory based upon completion of the sales or return event.	AR 97.00	System allows for processing return of goods transactions with proper controls.	AR 98.00	System will process an increase or decrease of sales price across all items or within a category of items.	AR 99.00	System will calculate the markup amount per item.	AR 100.00	System allows users to build multiple composite sales tax rates (i.e., state = 6%, city = 1.5 %, and county = .5% for composite rate of 8%).	<p>The State's primary need for retail point of sale functionality is to support revenue generated at the various State parks. The park system activities include both merchandise and restaurant sales. Other agencies may also have cash receipting needs.</p>						
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11	Listed by agency, how many active fleet units does the State currently have?	<p>The requested information is provided in the following table.</p> <table><tr><td>Agency</td><td>Vehicles</td><td>Equip-ment</td><td>Heavy Trucks</td><td>Total by Fleet</td></tr><tr><td>MVM</td><td>4,700</td><td>1,750</td><td>750</td><td>7,200</td></tr><tr><td>DOT</td><td>2,000</td><td>1,500</td><td>1,500</td><td>5,000</td></tr><tr><td>Total by Category</td><td>6,700</td><td>3,250</td><td>2,250</td><td>12,200</td></tr></table>	Agency	Vehicles	Equip-ment	Heavy Trucks	Total by Fleet	MVM	4,700	1,750	750	7,200	DOT	2,000	1,500	1,500	5,000	Total by Category	6,700	3,250	2,250	12,200
Agency	Vehicles	Equip-ment	Heavy Trucks	Total by Fleet																		
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12	Listed by agency, how may fleet users does the State currently have?	<p>The requested information is provided in the following table.</p> <table><tr><td>Agency</td><td>System User</td><td>Casual User</td><td>Total by Users by Fleet</td></tr><tr><td>MVM</td><td>300</td><td>1,100</td><td>1,400</td></tr><tr><td>DOT</td><td>300</td><td>100</td><td>400</td></tr><tr><td>Total by Category</td><td>600</td><td>1,200</td><td>1,800</td></tr></table>	Agency	System User	Casual User	Total by Users by Fleet	MVM	300	1,100	1,400	DOT	300	100	400	Total by Category	600	1,200	1,800				
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13	The State network diagram identified Load Balancing Services. Is there a State standard for load balancers?	<p>For applications that require load balancing at the network level, the State utilizes pair-redundant Alteon load balancers in its enterprise environment. Depending on application requirements, load balancing algorithm options include min-miss, round robin, least connections, and hash.</p>																				

	Written Comment	State Response
14	Does the State have a standard SAN storage technology?	The State's SAN storage technology is the Hitachi 9900 series SAN.
15	Does the State have standard for check printers? If not, how do we receive an exception for this additional hardware.	Checks will be printed at the State Data Center on existing printers. The State currently prints checks on a XEROX DP180.
16	Attachment 6.8 Payroll.xls, PY.44: "Is the State requesting some type of integration with the Accounts Receivable application, or for this type of function to reside within the Payroll application? Can the State please provide an example for this type of scenario?"	The State would like the receivable created from a payroll overpayment to be integrated with the financial system to facilitate timely collection of debts.
17	Attachment 6.8 Fin Proc.xls – The response codes in the instructions worksheet state Y – Standard Function for all worksheets. Within the Budget Control and Cash Management worksheets it specifies using S – Standard Functionality. Would you like us to use the S, per the instructions for these two worksheets or Y for consistency across all worksheets?	The State will accept either an "S" or a "Y" entry as a "Standard Function (Out of the Box)" response for the Budget Control and Cash Management worksheets.
18	<p>Would the state consider using the vendor's standard license agreement and support terms as the base agreement, while also incorporating many terms and conditions specific to the State of Tennessee? (A Copy of [VENDOR NAME DELETED]'s License and Services Agreement and current Technical Support Policies is attached).</p> <p>Rationale: In order to ensure consistency and efficiency across a base of over 23,000 customers, core terms, such as [VENDOR NAME DELETED]'s license grant and indemnification provisions, must be the same for all customers. Furthermore, [VENDOR NAME DELETED]'s award-winning technical support services must be provided in the same manner for all customers in order to ensure that it is administered effectively. (In essentially all respects, the Technical Support Services provided by [VENDOR NAME DELETED] exceed the requirements of the State's Pro Forma contract).</p> <p>In addition, although the basis for the contract would be [VENDOR NAME DELETED]'s License and Services Agreement, we are amenable to incorporating numerous terms and conditions, including but not limited to source code escrow provisions (would require that this provision be governed by standard language for consistency, as [VENDOR NAME DELETED] maintains a single escrow agent), appropriations of funds clauses, notification provisions, confidentiality, termination for convenience, non-discrimination, conflict of interest, independent contractor status, records retention, force majeure clauses, governing law, compliance with actual law, severability, headings and counterparts.</p>	See Amendment # 7, Item B, Informational Notice 1, above.
19	<p>Would the State be willing to have the Contractor's maximum liability be capped at the value of the contract?</p> <p>Rationale: The State's Pro Forma Contract limit's the State's maximum liability to the value of the contract. Making that provision mutual would greatly simplify matters and would be consistent with industry standards.</p>	No. Tennessee statute does not allow vendor liability to be capped at less than two (2) times the value of the contract. This concession is already included as <i>Pro Forma</i> Integrator Contract Section E.19 and <i>Pro Forma</i> Software License Section D.9.
20	Can the State please clarify the provisions regarding module exclusion, and consider removing that language from the resultant contract?	The State is willing to consider revisions to the licensing model during negotiations with the software vendor(s)

	Written Comment	State Response
	Rationale: While this provision makes sense for evaluation purposes, it is confusing if incorporated into a contract. The State can elect to acquire the functionality it desires, but once that functionality is specified, the vendor must supply the modules of its software that meet those requirements. Furthermore, in some instances functionality is bundled together and cannot be easily separated.	associated with the apparent best-evaluated Proposer in accordance with Amendment # 7, Item B, Informational Notice 1.
21	<p>Would the state consider a single payment for software licenses?</p> <p>Rationale: The accounting rules that govern the sale of software licenses and the ability of software vendors to recognize revenue are very strict. If the State divides the payment into 2 milestones, the vendor will not be able to recognize revenue on any of the sale until the 2d payment is made. In addition, milestone payments make sense for the provision of implementation services, but are more difficult to manage in terms of software sales. That is particularly true today when so much functionality is bundled together into a more integrated package.</p>	The State has modified the software payment structure. Payment will be provided in two equal installments, the first paid four weeks after software installation and the second will be paid six months after software installation. In addition, the State agrees to begin paying for annual software licensure services (maintenance) with the first payment of the software. See Amendment # 7, Item MM.
22	Please clarify how the State would like project team training priced. Does the state want a breakdown of training (and if so, how should it be broken down), or just a total figure for training?	The cost for project team training should be listed in the Cost Proposal on Schedule 5, All Other Costs, and will include a total for project team training for HR/Payroll, and a total for project team training for Financials, Procurement and Logistics. The details of the project team training plan will be provided in response to Section 6.12.5, RFP Attachment 6.12, and should include numbers and types of classes by module for project team members, including technical team training. As part of the Technical Proposal, the plan in response to Section 6.12.5 must <u>not</u> show any costing information.
23	Where, in Attachment 6.6. Cost Prop Supplement, does the State wish the training pricing to be placed?	See Amendment # 7, Item F, Written Comment # 22. The costs for project team training should be listed in the Cost Proposal on Schedule 5, All Other Costs. The staffing costs for end user training development and delivery will be listed in Section 200 of Schedules 2 and 3 in the Cost Proposal as part of the Enterprise Readiness staffing costs. Any end user training costs other than staffing will be detailed in Schedule 5, All Other Costs.
24	Please provide the Tennessee Information Resources Technical Architecture document dated 10/31/05.	The requested documentation has been provided to the requesting vendor.
25	<p>In Section C.3.a, the State outlines a Deliverable Payment Schedule that would result in deliverable payments over the major development cycles of the Edison project. Given that the resources required to develop this solution are very substantial, this puts a significant capital requirement upon the vendors, presents a non-standard commercial financing requirement for the vendors, and results in an overall higher price passed along to the State to cover the interest expenses on this capital. We understand the State's need to maintain proper vendor performance incentives and would request that the State strongly consider:</p> <p>a) Reducing the Retainage amount from 15% to 5% to be more in line with industry standards, and/or,</p> <p>b) Including progress payments for certain milestones. The</p>	<p>See Amendment # 7, Items W and X.</p> <p>a. The State has reduced the retainage amount to 10% from 15%.</p> <p>b. The State has amended the payment schedule to better align payments and costs incurred. The State has not included progress payments for milestones.</p>

	Written Comment	State Response
	specific milestones where we recommend including progress payments are for Payment # 4, 7 and 8 in both the Human Resources & Payroll and the Financials, Procurement & Logistics deliverable payment schedules in order to better align the payments and costs incurred in order to ease the investment burden of the vendors.	
26	We understand the State's requirements for a single point of accountability and responsibility with the Prime Contractor. We also believe it is in the State's best interest to have significant assistance from the professional services organization of the Primary Software Vendor's organization at the most economical terms. The Pro Forma Contract with the Primary Software Vendor already includes a provision that requires full cooperation with the Prime Contractor. Would the State agree to a contractual structure that allows the professional services organization of the Primary Software Vendor to come under the contract of the Primary Software Vendor? Structuring the contract in this manner will allow the State to realize significantly more favorable economic terms.	No. The State desires to hold the Integrator responsible for the overall successful implementation and therefore, will leave the contractual approach as defined in the RFP.
27	<p>Based on the State's responses to Questions 70 and 82 and the language contained in Amendment #4 Item CC, the State has eliminated any right of the Contractor to be:</p> <p>(a) reimbursed for authorized capital expenditures that were made for the State's benefit (b) reimbursed for real costs incurred by the Contractor solely as a result of the State's decision to terminate for its own convenience; and (c) paid as appropriate for any partially completed work, even if such work could have been completed in compliance with the contract in not for the State's decision to terminate.</p> <p>In addition, the State's language in Item CC would now indicate that the State has sole discretion over any amounts due at termination, which has the legal effect of removing any requirement of reasonableness or objectivity. Due to accounting rules impacting service providers, these termination provisions would have a significant impact on the ability of the Contractor to recognize revenue and potentially result in the inability for a vendor to bid. Would the State consider replacing the termination provisions in Item CC with reasonable and fair remedies that would give the Contractor appropriate rights upon a termination of the Contract?</p>	<p>With regard to items (a), (b), and (c) in the vendor's written comment:</p> <p>(a) As stated in Amendment # 4, Written Comment # 82, "The State will not pay for reimbursement of capital investments or demobilization costs." (b) The State will not pay for any costs not defined within the <i>Pro Forma</i> Integrator Contract and Software License, Section C.3. (c) As far as partially completed work is concerned, the State is amending the language added as Item CC in Amendment # 4, in an attempt to emphasize the State's intent to determine an objective measure of completed work. See Amendment # 7, Item Y.</p>
28	<p>As the Software Provider will provide a warranty for the Core Software and the State will maintain responsibility for any legacy components, it is not appropriate to require the Contractor to warrant the entire Edison system as error free. Would the State consider revising the warranty as follows?</p> <p>The Contractor expressly warrants that any components of the Edison System provided by Contractor, and any products or services resulting from change orders and enhancements produced or provided by the Contractor to the State, as being compliant in all material respects with the terms of the Contract or the change order or enhancement request, and warrants that these products or services will be free from material errors, defects, deficiencies or deviations, and that the products or services will perform in such a manner as the Contract, change order or enhancement request require, so that the intended function of the products or services is</p>	The State has modified the warranty provisions of Section A.34 of the <i>Pro Forma</i> Integrator Contract to restrict the warranty provision to components provided or configured by the Contractor, as well as adding the word "material" where applicable. See Amendment # 7, Item V.

	Written Comment	State Response
	accomplished in all material respects as intended by the Contract, the change order or enhancement request, and is otherwise consistent with industry standards.	
29	Given that the State is contracting directly with the Software Vendor, the Integrator has no control over whether the Core Software, and thus the System, is designed to comply with the Americans with Disabilities Act (ADA). Will the State consider removing provisions regarding ADA compliance, including the corresponding liquidated damages provisions, from the Pro Forma Integrator Contract?	It is the State's view that the Integrator indeed has control over this issue with its careful selection of the software vendor it chooses to propose to the State. It is the Integrator's responsibility to propose the software solution that best fits the State's requirements as outlined in the RFP; further, the RFP outlines provisions that require that the software be compliant with State and Federal law. The State will not remove provisions regarding ADA compliance. See Amendment # 7, items AA and RR.
30	<p>The liquidated damages in their present form are not consistent with the types and amounts that are typically seen in contracts of this type. They appear overly punitive and do not appear to be an appropriate estimation of the damages that would result from a failure of the applicable service level. Although we are willing to agree to reasonable liquidated damage provisions, our company will not be able to submit a bid for this RFP if we are required to accept the liquidated damages in their present form. Would the State be willing to modify these provisions in one or more of the following ways to make them a more appropriate relationship for compensating the State for failure to meet the applicable service levels:</p> <ol style="list-style-type: none"> reduce the amounts to better correspond to the actual damages that the State would expect; provide for a "ramp up" period of six months following go-live before any of the liquidated damages are assessable; provide a cure period that would give the Contractor a reasonable opportunity to correct the service deficiency and avoid the assessment of liquidated damages; and/or permit the Contractor to be rewarded for performance that exceeds the service levels in the form of credits than could be used to offset any assessed liquidated damages? 	<p>See Amendment # 7, Item U. The State has amended amounts where appropriate, and removed the clauses in this section referring to ADA, COBRA and HIPAA compliance, addressing these issues in Amendment # 7, Items Z, AA, BB, PP, RR, and SS. The State will not provide a ramp-up period as the State expects the system to meet the State's requirements on the production date. The State has provided a cure period of five days where appropriate. The State will not provide for credits from performance rewards.</p> <p>Tennessee case law on liquidated damages indicates that such damages are an agreed upon consequence of a breach of the contract. This is consistent with the State's model contract language section E.4, which lists various acts which constitute a breach of contract and then indicates that liquidated damages are one possible consequence of the breach. Liquidated damages may be assessed due to a partial breach that does not justify termination of the contract.</p>
31	Given that the State is contracting directly with the Software Vendor, the Integrator has no control over whether the Core Software, and thus the System, is designed to comply with the Consolidated Omnibus Budget Reconciliation Act (COBRA). Will the State consider removing provisions regarding COBRA compliance, including the corresponding liquidated damages provisions, from the Pro Forma Integrator Contract?	It is the State's view that the Integrator indeed has control over this issue with its careful selection of the software vendor it chooses to propose to the State. It is the Integrator's responsibility to propose the software solution that best fits the State's requirements as outlined in the RFP; further, the RFP outlines provisions that require that the software be compliant with State and Federal law. The State will not remove provisions regarding COBRA compliance. See Amendment # 7, items BB and SS.
32	(Reference to Section D, Requirements AR 55 – AR 111). Does the State currently have or is the State planning to procure in a separate RFP an agency-wide cash receipts and/or point of sale solution in place? If so, does the State want to interface that with proposed ERP solution, or does the State want a new solution proposed that can be used agency-wide and integrate with ERP solution?	<p>See Amendment # 7, Item F, Written Comment # 10.</p> <p>The State is not planning to procure in a separate RFP an agency-wide cash receipts and/or point of sale solution. The State would like a solution that can be used in multiple agencies and integrates with the ERP solution.</p>
33	The State of Tennessee has offered a second submission for "Follow-Up Written Comments" regarding the above referenced RFP. [VENDOR NAME DELETED] has reviewed the State's comments of December 13, 2005 relating to the software vendors While we appreciate many of the changes that resulted from the State's December 13, 2005 responses,	Refer to Amendment # 7, Item B, Informational Notice 1.

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<p>we continue to have concerns since many of the terms and conditions are not in line with industry standards for public sector purchases for COTS software products. As a result, there may be risk that the State's result is not in line with the State's expectations. [VENDOR NAME DELETED] has worked with other state governments in recent procurements, and we would like to share our knowledge and experience with the State of Tennessee by working on this important project. In this document [VENDOR NAME DELETED], as requested, will itemize and address the various serious contract issues still unresolved.</p> <p>Our concern with the current terms issued by the State of Tennessee is that there remain major items that put a software vendor at risk from a fundamental business perspective. Most COTS software vendors have similar terms and conditions which protect their intellectual property and business interests. We market COTS software and have negotiated license agreements with many federal, state, local, and higher education customers using the same standard terms and conditions.</p> <p>We believe that this approach puts the State at risk of not achieving its desired result. There is the possibility that the State may receive fewer responses than required or that vendors may agree to terms during the RFP process that they plan to "negotiate out" later. A similar situation occurred in 2005 in New York Office of the State Comptroller (OSC) and at the State of New Hampshire. Both states issued RFPs with terms and conditions that were not commercially viable for software vendors. In the case of NY State, no vendor was able to meet the mandatory requirements. The RFPs were cancelled and reissued at a later date. In New Hampshire, the state was not able to reach agreement with the selected vendor. That RFP was cancelled and later reissued. These cancellations caused those governments to pay a higher cost for the procurement while losing valuable time.</p> <p>After NY OSC cancelled its RFP, they called all software vendors into face-to-face meetings to discuss the issues with the RFP terms and the respective procurement processes. They involved their legal counsel and procurement organizations jointly to develop an RFP that was more commercially viable. The process required both NY OSC as well as the software vendors to make a strong effort to meet the State's goals. Their second RFP was more in line with commercial software licensing and was successful.</p> <p>To reduce risk and time in the procurement process, we are requesting that the State conduct face-to-face meetings with the software vendors. These discussions could occur during the evaluation period, before or after the demonstration process. The expected outcome of such meetings would be to improve the current software contract terms, which would help the State's procurement. In doing so, the State would benefit by: 1) reducing any risk of a cancelled procurement, 2) preventing excessive procurement costs due to a re-issued RFP 3) keeping the playing field competitive so that the State receives the best proposals. In addition, , aligning the State's contract terms to those used by other state and local</p>	

	Written Comment	State Response
	<p>governments will not diminish the contractual rights enjoined by the State.</p> <p>We believe that such an approach will provide the State with the best value proposal in the end. Please let us know if we may arrange contacts for you in other State governments that have addressed the issues that we see in your current RFP terms and conditions.</p> <p>In the meantime, [VENDOR NAME DELETED] respectfully submits the following items that we consider to be of critical importance. The following three paragraphs are the foundation for our software firm's comments and questions:</p>	
34	<p>Qualifying Reference - Written Comments by the State on December 13, 2005</p> <p>The States response to Question 9 in the written comments published on December 13 states the following regarding qualifying reference for the proposed version: "Furthermore, at least one of the references for the Primary Software Vendor must be from a public sector environment in which the proposed version of the ERP software (including integrated financial management, procurement and human resources / payroll functionality) is currently in production... To clarify, the public sector requirement may be met with a city county, or state government entity or public higher education institution."</p> <p>Since our firm's version 4 is to be closely followed by version 5, most of our government customers are remaining on version 3 (available since 2002) until version 5 becomes generally available. We provide a migration path from version 3 to version 4, (available since mid-2004) or from version 3 to version 5.</p> <p>From a new customer perspective, we have been proposing, demonstrating and implementing version 4 for new customers since mid-2004. In fact, hundreds of our customers are already live on version 4. However, because government implementations take longer than commercial implementations and are frequently done in a phased approach, no single public sector customer is completely live on version 4 for the exact same scope as the State's fully deployed model. We do have a private higher education customer live on version 4 with the public sector industry solution and using the same core functionality we will propose to Tennessee. Additionally, we have other public sector customers who are live on major components of version 4. Hence, there is clear evidence to the stability of version 4.</p> <p>We believe it is in the best interest of the State of Tennessee to evaluate the version that most closely reflects what they will implement, and the version that is being implemented by all of our new customers - version 4. Proposing and demonstrating 3 year old software does not fairly represent our capabilities and fails to recognize one of the core advantages of a commercially-off-the-shelf (COTS) software package, which is ongoing product investment with regularly available upgrades. Allowing our firm to propose version 4 would allow us to propose the version of software that more closely meets the</p>	<p>The State will allow vendors to use a public or private higher education institution to meet the public sector reference requirement. See Amendment # 7, Items J, CC and TT.</p>

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	<p>State's needs and better reflects what the State would ultimately implement.</p> <p>We request the State allow us to use a private higher education institution that is running our Public Sector version for the "proposed version." In the State's clarification, you wrote that the reference for the proposed version must be in a "public sector environment." Our qualifying reference on our proposed version is running our Public Sector version, so it meets your requirement for a "public sector environment." The State later clarifies this to include "higher education institutions." Will the State allow this institution to be a private higher education institution in addition to a public one since our qualifying reference is live with the State's full scope in a "public sector environment?" In our public sector organization as is the practice in the software industry, higher education does not distinguish between public and private since all of the higher education institutions use the public sector components.</p>	
35	<p>A.2.b</p> <p>The use of the second sentence doesn't quite get the State what it should be requesting. An alternative is "The Software Provider agrees to work with Licensee and the Implementation Vendor to determine a mutually appropriate portion of the implementation services for the Software Provider to perform."</p>	The State will not amend A.2.b. The wording does achieve our intent.
36	<p>A.3.b</p> <p>Software Provider doesn't understand the State's need to sublicense the software. If it's to other government agencies within the State's control, then we are ok with the concept.</p> <p>The definition of internal business operations is fairly broad and our firm wishes the State to confirm that it's not the State's intent to use the software to compete with Software Provider.</p> <p>Please revise Territory to the United States. What are the State's intentions on using the Software outside of the United States?</p>	<p>The State's intent is to sublicense only to the extent necessary to provide for the State's "Internal Business Operations," which are defined in the Pro Forma Software License. The State is willing to narrow this definition somewhat by adding the phrase, "but not including the right to market or sell the software for commercial purposes." See Amendment # 7, Item HH.</p> <p>The State will not revise the definition of "Territory" at this time. On occasion, State personnel travel out of the country and will need to access the ERP system. Given this understanding, the State is willing to consider refining the definition with software vendor(s) associated with the apparent best-evaluated Proposer during negotiations in accordance with Amendment # 7, Item B, Informational Notice 1.</p>
37	<p>A.3.c</p> <p>The State created user types that are not consistent with our firm's licensing model. The only way for the State to license our firm's software is to use our licensing model, which has been accepted by every single one of the thousands of customers that we have. The State notes in this section that it "recognizes that various Software Providers have different License Methods." If our firm's package is selected, will the State be willing to rewrite entirely the User definitions in Section A.3.c?</p> <p>Software Provider agrees to work with the State to develop an appropriate Audit clause based upon our specific licensing methodology.</p>	Refer to Amendment # 7, Item B, Informational Notice 1.
38	<p>A.3.d</p> <p>[a] Please delete the term "update and supplement" as the</p>	[a] The State will not remove the phrase "update and supplement"; however, since updates are provided

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	<p>Software is a one-time purchase and the State will receive the then current Documentation for the Software. If the State purchases Maintenance, the “update and supplement” concept is included in the scope of our current Maintenance program. The way the State wrote this, the “update and supplement” is a part of Software.</p> <p>[b] Comment 160. Please update the definition of Proprietary Information to as follows: "Proprietary Information" means: (i) with respect to Software provider and/or its parent companies (the licensor of the Proprietary Information to Software provider), the Software and Documentation, any other third-party software licensed with or as part of the Software, benchmark results, manuals, program listings, data structures, flow charts, logic diagrams, functional specifications; (ii) the concepts, techniques, ideas, and know-how embodied and expressed in the Software and (iii) information reasonably identifiable as the confidential and proprietary information of Software provider or Licensee or their licensors excluding any part of the Software provider or Licensee Proprietary Information which: (a) is or becomes publicly available through no act or failure of the other party; or (b) was or is rightfully acquired by the other party from a source other than the disclosing party prior to receipt from the disclosing party; or (c) becomes independently available to the other party as a matter of right.</p>	<p>under the terms of Pro Forma Software License Section A.4, the State will amend A.3.d to include a reference to Section A.4. See Amendment # 7, Item II.</p> <p>[b] Refer to Amendment # 7, Item B, Informational Notice 1.</p>
39	<p>A.3.e</p> <p>Comment 161. We reviewed the statute(s) referenced by the State and don't interpret the statute as expressly prohibiting this protection nor does it require the State to deny our request because of the statute. Accordingly, our firm respectfully asks the State to reconsider this request since the software product that we create and license for use is of critical importance to our company, and we need to ensure its protection. Therefore, we request that the State insert the following text into the pro forma agreement:</p> <p>Licensee shall not copy, translate, disassemble, or decompile, nor create or attempt to create, by reverse engineering or otherwise, the source code from the object code of the Software. Except for the rights set forth below, Licensee is not permitted to make derivative works of the Software and ownership of any unauthorized derivative works shall vest in Software provider. Software provider and Licensee agree to take all reasonable steps and the same protective precautions to protect the Proprietary Information from disclosure to third parties as with its own proprietary and confidential information. Neither party shall, without the other party's prior written consent, disclose any of the Proprietary Information of the other party to any person, except to its bona fide individuals whose access is necessary to enable such party to exercise its rights hereunder. Each party agrees that prior to disclosing any Proprietary Information of the other party to any third party, it will obtain from that third party a written acknowledgment that such third party will be bound by the same terms as specified in this Section 6 with respect to the Proprietary Information.</p>	<p>The State will protect such information within the limits of T.C.A. 10-7-504(a)(18). Tennessee courts have ruled that any attempt by a government entity to limit its Public Record Act obligations by contract is unenforceable.</p>
40	A.3.f	Refer to Amendment # 7, Item B, Informational Notice 1.

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	Please revise definition of "Modification" to "means a change to the Software which changes the delivered source code, or an enhancement to the Software that is made using Software tools or utilizing Software Provider Proprietary Information"	
41	<p>A.3.i</p> <p>[a] Please recognize and add the "documentation and proprietary information" is also subject to export regulations.</p> <p>[b] While Software Provider appreciates the State adding export control as a recognized clause, Software Provider does not accept any responsibility for the State's mishandling of the Software to breach the control. Accordingly, the clause should be revised to acknowledge the State's acceptance of that responsibility:</p> <p>The Software, Documentation and Proprietary Information are being released or transferred to Licensee in the United States and are therefore subject to the U.S. export control laws. Licensee acknowledges its obligation to ensure that its exports from the United States are in compliance with the U.S. export control laws. Licensee shall also be responsible for complying with all applicable governmental regulations of any foreign countries with respect to the use of the Proprietary Information by its Subsidiaries outside of the United States. Licensee agrees that it will not submit the Software to any government agency for licensing consideration or other regulatory approval without the prior written consent of Software provider.</p>	<p>[a] The State agrees to add "documentation and other proprietary information" to the Export Control clause, Section A.3.i. See Amendment # 7, Item JJ.</p> <p>[b] Refer to Amendment # 7, Item B, Informational Notice 1.</p>
42	<p>A.4</p> <p>Comment 149. Our firm offers one program that is offered to all customers around the world. Our standard maintenance programs must incorporate our contract terms and conditions because we need them in order define and deliver the maintenance products and services. To provide the State with maintenance, A.4 needs to be modified extensively. In order to receive maintenance, will the State be willing to discuss our terms in greater detail?</p> <p>Comment 137. Our firm's maintenance program begins in the month following delivery of the Software. There are various products and services that will be used from the initial physical installation along through the implementation, even before going live. The State is requesting a much later start date. If maintenance does not begin in the month following delivery of the software, then our firm will not be able to provide the State any of the products or services associated with that program until the State is willing to purchase such a program and the State's "go live" will be jeopardized. Will the state choose to purchase our firm's maintenance program based on the offering in our maintenance program that greatly assist customer's during implementation and through go-live?</p>	<p>Refer to Amendment # 7, Item B, Informational Notice 1.</p> <p>Regarding payment for annual software licensure, see Amendment # 7, Item F, Written Comment # 21.</p>
43	<p>A.5</p> <p>Comment 134. The State explained that it will consider our single Escrow Agent for approval. Unfortunately, we cannot make our Escrow Agent contingent upon the State's approval.</p>	<p>The State will not abrogate its right to approve the vendor's escrow agent. Approval of the escrow agent will not be unreasonably withheld.</p>

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	As we submitted in our original question, we have thousands of customers, and every single one uses the same single, well-established Escrow Agent. Will the State be willing to use our Escrow Agent?	
44	<p>A.6</p> <p>Comment 162. We reviewed the statute(s) referenced by the State and don't interpret the statute as expressly prohibiting this protection nor does it require the State to deny our request because of the statute. Accordingly, our firm asks the State to reconsider revising the Warranty to:</p> <p>"Software provider warrants that the Software will substantially conform to the functional specifications contained in the Documentation for six months following delivery. The warranty shall not apply: (i) if the Software is not used in accordance with the Documentation; or (ii) if the defect is caused by a Modification, Licensee, third-party software, or third party database. Software provider does not warrant that the Software will operate uninterrupted or that it will be free from minor defects or errors that do not materially affect such performance, or that the applications contained in the Software are designed to meet all of Licensee's business requirements.</p> <p>Express Disclaimer. SOFTWARE PROVIDER AND ITS LICENSORS DISCLAIM ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE EXCEPT TO THE EXTENT THAT ANY WARRANTIES IMPLIED BY LAW CANNOT BE VALIDLY WAIVED.</p>	<p>Refer to Amendment # 7, Item B, Informational Notice 1.</p> <p>It should be noted the State cannot agree to an express disclaimer of warranty as this is clearly further limiting liability. This provision is not negotiable.</p>
45	<p>B.</p> <p>Comment 135. We have read the State's comment and respectfully request the State to reconsider. Our firm requires certain restrictions from Licensees on the use of its software. These restrictions are of utmost importance to our firm as we market and sell our COTS products. Therefore we request that the State insert the following text into the pro forma agreement:</p> <p>"Software provider grants, a non-exclusive, perpetual (unless terminated in accordance with the Termination clause herein) license to Use the Software, Documentation, other Proprietary Information, at specified site(s) within the Territory to run Licensee's internal business operations and to provide internal training and testing for such internal business operations and as further set forth in Appendices hereto. This license does not permit Licensee to use the Proprietary Information to provide services to third parties (e.g., business process outsourcing, service bureau applications or third party training). Business Partners may have screen access to the Software solely in conjunction with Licensee's Use and may not Use the Software to run any of their business operations.</p> <p>Licensee agrees to install the Software only on hardware identified by Licensee pursuant to this Agreement that has been previously approved by Software provider in writing or</p>	<p>Refer to Amendment # 7, Item B, Informational Notice 1.</p>

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	otherwise officially made known to the public as appropriate for Use or interoperation with the Software (the "Designated Unit"). Any individuals that Use the Software including employees or agents of Subsidiaries and Business Partners, must be licensed as Named Users. Use may occur by way of an interface delivered with or as a part of the Software, a Licensee or third-party interface, or another intermediary system."	
46	<p>C.1</p> <p>Comment 136. We reviewed the statute(s) referenced by the State and don't interpret the statute as expressly prohibiting this protection nor does it require the State to deny our request because of the statute. Accordingly, our firm asks the State to reconsider the following:</p> <p>"Licensee shall pay to license fees for the Software and maintenance fees on the terms in Appendices hereto Any fees not paid when due shall accrue interest at the rate of 18% per annum, but not to exceed the maximum amount as allowed by law.</p> <p>Fees and other charges described in this Agreement, or in Software provider's most recent list of prices and conditions, do not include federal, state or local sales, foreign withholding, use, property, excise, service, or similar taxes ("Tax(es)") now or hereafter levied, all of which shall be for Licensee's account. With respect to state/local sales tax, direct pay permits or valid tax-exempt certificates must be provided to Software provider prior to the execution of this Agreement. If Software provider is required to pay Taxes, Licensee shall reimburse Software provider for such amounts.</p>	Refer to Amendment # 7, Item B, Informational Notice 1.
47	<p>C.3.a</p> <p>Comment 143. The State requests Maintenance pricing be capped at CPI in perpetuity. Our firm cannot agree to this request. As requested in your cost proposal worksheet, we can hold maintenance pricing for years one through six, and then after that we need to have language that allows any maintenance increases to be subject to increases not to exceed CPI+5% thereafter. The State declined this request in question 143, and we are submitting it to the State again because it causes our firm severe revenue recognition problems. Will the State allow language for maintenance fee increases at CPI + 5% after the sixth year of maintenance?</p>	The State fails to see how this clause causes severe revenue recognition problems. In prior years, public sector entities have experienced substantial annual maintenance fee increases for their ERP software. The Gartner Group went so far as to issue a bulletin warning potential ERP customers to be aware of annual maintenance clauses. The State does not wish to experience any increase in the real cost of maintenance adjusted for inflation nor does the State wish to reduce software vendor's maintenance revenues adjusted for inflation. The CPI clause is intended to keep the real dollar cost of maintenance constant throughout the contractual relationship.
48	<p>C.3.b</p> <p>Comment 139. The State has offered payment terms that do not allow our firm to recognize revenue for the sale of software to the State. Our firm proposes 40% of the payment upon physical installation, which must occur within 3 weeks or less of the software delivery, and 60% final payment no later than 6 months after contract signature. As a COTS vendor, our firm cannot tie payments to project milestones. Will the State be willing to change its payment terms as noted above?</p> <p>Will the state agree to state the payments terms to Net 30 days from software delivery, which is our standard practice with our thousands of customers?</p>	<p>Regarding payment timing, see Amendment # 7, Item F, Written Comment # 21.</p> <p>Please refer to the State's prompt payment act regarding the State's payment terms.</p>
49	C.3.c	Yes, the State will amend the language to clarify the intent.

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	This section isn't clear that the unused year relates to the applicable Maintenance Fee. Is the State willing to clarify?	See Amendment # 7, Item NN.
50	<p>C.3.e</p> <p>Comment 138/148. We reviewed the State's revised clause and don't believe the provision addresses all issues relating to a Software license agreement appropriately. Accordingly, our firm asks the State to reconsider. Our firm agrees that the State may terminate for convenience for any reason. Since this is a contract where the State is receiving our firm's Intellectual Property, there needs to be protection to our firm for the States inappropriate actions. Our firm needs a termination clause that is equitable for both parties. Will the State be willing to insert the following text to the pro forma software contract?</p> <p>This Agreement and the license granted hereunder shall become effective as of the date first set forth above and shall continue in effect thereafter unless terminated upon the earliest to occur of the following: (i) thirty days after Licensee gives Software provider written notice of Licensee's desire to terminate this Agreement, for any reason, but only after payment of all License and Maintenance Fees then due and owing; (ii) thirty days after Software provider gives Licensee notice of Licensee's material breach of any provision of the Agreement (other than Licensee's breach of its obligations under Sections 6 or 10, which breach shall result in immediate termination), including more than thirty days delinquency in Licensee's payment of any money due hereunder, unless Licensee has cured such breach during such thirty day period; (iii) immediately if Licensee files for bankruptcy, becomes insolvent, or makes an assignment for the benefit of creditors.</p> <p>Upon any termination hereunder, Licensee and its Subsidiaries shall immediately cease Use of all Software provider Proprietary Information. Within thirty (30) days after any termination, Licensee shall deliver to Software provider or destroy all copies of the Software provider Proprietary Information in every form. Licensee agrees to certify in writing to Software provider that it has performed the foregoing. Sections (as mutually agreed) shall survive such termination. In the event of any termination hereunder, Licensee shall not be entitled to any refund of any payments made by Licensee.</p>	Refer to Amendment # 7, Item B, Informational Notice 1.
51	<p>C.4</p> <p>Please add, "unless approved by the State."</p>	<p>The State is amending the travel language to provide for the ability to reimburse vendors for travel. See Amendment # 7, Item OO.</p> <p>IMPORTANT NOTE: Effective January 1, 2006, the standard mileage reimbursement rate was increased to 42 cents per mile, until further notice. The Internet/Intranet travel sites are in the process of being updated with this information.</p>
52	<p>C.9</p> <p>Comment 137. Payment for Maintenance Services is annually in advance. While payment for the implementation may be attached to milestones, as a software provider we will deliver maintenance services in a way that is entirely unrelated to</p>	<p>The correct reference seems to be C.3.</p> <p>See Amendment # 7, Item F, Written Comment # 21.</p>

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	those milestones. Since we will start providing maintenance services as soon as the state receives our software, will the State pay for those services since they will be receiving them? Secondly, if the State is willing to pay for those services, we propose paying for Maintenance annually in advance, which is the standard practice for our customers. Is the State willing to pay annually in advance like others?	
53	<p>D.3</p> <p>Comment 152. We are confused as to how this relates to the Software fee. If the State has determined to pay in 2 payments for the software, is the State saying when they sign the contract the State may not have full appropriation for the second payment of the Software they just ordered?</p>	State funds are appropriated on a yearly basis, to coincide with the State fiscal year, which runs from July 1 to June 30. All contracts with terms that span State fiscal years must include the Section D.3 provision. The State cannot guarantee in advance that appropriations will be made.
54	<p>D.4</p> <p>Comment 160. Will the State agree to add the following definitions to the Contract?</p> <p>"Business Partner" means an entity that requires access to the Software in connection with the operation of Licensee's business, such as customers, distributors and suppliers.</p> <p>"Documentation" means Software provider's documentation which is delivered to Licensee under this Agreement.</p> <p>"Modification" means a change to the Software that changes the delivered source code or an enhancement to the Software that is made using Software provider tools or utilizing or incorporating Software provider Proprietary Information.</p> <p>"Named Users" means any combination of users licensed under this Agreement.</p> <p>"Proprietary Information" means: (i) with respect to Software provider and/or its parent companies (the licensor of the Proprietary Information to Software provider), the Software and Documentation, any other third-party software licensed with or as part of the Software, benchmark results, manuals, program listings, data structures, flow charts, logic diagrams, functional specifications; (ii) the concepts, techniques, ideas, and know-how embodied and expressed in the Software and (iii) information reasonably identifiable as the confidential and proprietary information of Software provider or Licensee or their licensors excluding any part of the Software provider or Licensee Proprietary Information which: (a) is or becomes publicly available through no act or failure of the other party; or (b) was or is rightfully acquired by the other party from a source other than the disclosing party prior to receipt from the disclosing party; or (c) becomes independently available to the other party as a matter of right.</p> <p>"Software" means (i) all software specified in agreed upon Appendices hereto, developed by or for Software provider and/or its parent companies and delivered to Licensee hereunder; (ii) any new releases thereof made generally available pursuant to Maintenance; and (iii) any complete or partial copies of any of the foregoing.</p> <p>"Territory" means the United States of America.</p>	Refer to Amendment # 7, Item B, Informational Notice 1.

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	"Use" means to activate the processing capabilities of the Software, load, execute, access, employ the Software, or display information resulting from such capabilities.	
55	<p>D.4.b</p> <p>There is only one type of Software to be provided under the Agreement. Please revise Contractor Owned Software to "Software means (i) all software specified in agreed upon Appendices hereto, developed by or for Software provider and/or its parent companies and delivered to Licensee hereunder; (ii) any new releases thereof made generally available pursuant to Maintenance; and (iii) any complete or partial copies of any of the foregoing."</p>	Refer to Amendment # 7, Item B, Informational Notice 1.
56	<p>D.4.c/D.4.d</p> <p>If the terms "Custom Developed Application Software" and "Rights Transfer Application Software" do not apply to a particular Software Provider we presume the terms will be removed throughout the contract.</p>	<p>The State is open to removing "Rights Transfer Application Software" from any Software License to which it is not applicable. However, any software that is developed by the vendor under the terms of the Software License shall fall into the category of "Custom-Developed Application Software" and shall become the property of the State in accordance with <i>Pro Forma</i> Software License Section D.4.f.ii.</p> <p>Refer to Amendment # 7, Item B, Informational Notice 1.</p>
57	<p>D.4.f</p> <p>Comment 153. While the State made some modifications to D.4, the terms do not meet our firm's needs regarding ownership of modifications. The following are some concepts that we still need to have addressed, and we have noted them in basic terms: if Licensee develops the Modification without our firm's participation, then Licensee owns the Modification. If our firm is involved in the Modification, then our firm owns the Modification. Our firm believes it will be helpful to resolve this issue by revising the definition of Modification to "a change to the Software that changes the delivered source code or an enhancement to the Software that is made using our firm's tools or utilizing or incorporating our firm's Proprietary Information." Is the State willing to address our firm's needs by incorporating the above concepts</p> <p>Is the State willing to address our firm's needs by incorporating the concepts below?</p> <p>The parties hereto agree that the granting of any rights, title, or interest to Licensee in any Modification or Extension shall not be construed by the parties hereto, any court of law or equity, or any arbitration panel to mean that Software provider has granted or given up any rights, title, or interest in or to the Software provider Proprietary Information. Licensee agrees not to take any action that would limit Software provider's independent development, sale, assignment, licensing or use of its own Software or Modifications or Extensions thereto.</p>	Refer to Amendment # 7, Item B, Informational Notice 1.
58	<p>D.5</p> <p>Comment 155. As a software provider we understand and respect the State's request for confidentiality. We also understand "Open Public Records" requirements. Software provider is amenable to having the reciprocal clause be subject to Open Public Records requirements as we have done with numerous other state and local governments, so that both entities get the protection they request. Will the</p>	The State will, if necessary, negotiate this issue with the software vendor(s) associated with the apparent best-evaluated Proposer, in accordance with Amendment # 7, Informational Notice 1. Of course, any such negotiations will be limited by and subject to the applicable portions of State law.

	Written Comment	State Response
	State do the same and make this clause reciprocal as described?	
59	<p>D.7</p> <p>Comment 156. Our firm agrees there should be an indemnity for patent and copyright infringement. Our firm does not agree to indemnify for any and every breach. We need the indemnity to be limited to personal injury and property damage. Will the State be willing to modify the pro forma contract to make this limitation?</p> <p>We understand the State's intent in D.7. However, would the State agree to add the following text to D.7 to further define the State's and Software Provider's obligations? "Indemnity is for Licensee's Use of Software against United States patents and/or copyrights. The indemnity will not apply if the alleged infringement results from Use of the Software in conjunction with any other software, an apparatus other than a Designated Unit, or unlicensed activities and so long as Licensee promptly notifies Software provider in writing of any such claim and Software provider is permitted to control fully the defense and any settlement of such claim as long as such settlement shall not include a financial obligation on Licensee. Licensee shall cooperate fully in the defense of such claim and may appear, at its own expense, through counsel reasonably acceptable to Software provider. Software provider may settle any claim on a basis requiring Software provider to substitute for the Software and Documentation alternative substantially equivalent non-infringing programs and supporting documentation. Licensee shall not undertake any action in response to any infringement or alleged infringement of the Software and Documentation.</p> <p>THE PROVISIONS OF THIS SECTION STATE THE SOLE, EXCLUSIVE, AND ENTIRE LIABILITY OF SOFTWARE PROVIDER AND ITS LICENSORS TO LICENSEE, AND IS LICENSEE'S SOLE REMEDY, WITH RESPECT TO THE INFRINGEMENT OF THIRD-PARTY INTELLECTUAL PROPERTY RIGHTS.</p>	<p>The State cannot agree to limit the vendor's liability for infringement to personal injury or property damage, since this would not fulfill the intent of this clause in protecting the State. However, the State will agree to limit the scope of this clause as set forth in Amendment # 7, Item QQ.</p>
60	<p>D.9</p> <p>We reviewed the statute(s) referenced by the State and don't interpret the statute as expressly prohibiting this protection nor does it require the State to deny our request because of the statute. Accordingly, our firm asks the State to reconsider standard and customary exclusions and disclaimers as stated below:</p> <p>"Licensee's sole and exclusive remedies for any damages or loss in any way connected with the Software or Services furnished by Software provider and its licensors, whether due to Software provider's negligence or breach of any other duty, shall be, at Software provider's option: (i) to bring the performance of the Software into substantial compliance with the functional specifications; (ii) re-performance of Services; or (iii) return of an appropriate portion of any payment made by Licensee with respect to the applicable portion of the Software or Services.</p> <p>Not Responsible. Software provider will not be responsible</p>	<p>The State has already obtained approval to limit the contractor's liability to the maximum extent allowable under Tennessee law. The State cannot accept further limitations of liability.</p>

	Written Comment	State Response
	<p>under this Agreement (i) if the Software is not used in accordance with the Documentation; or (ii) if the defect is caused by Licensee, a Modification, third-party software, or third party database. SOFTWARE PROVIDER AND ITS LICENSORS SHALL NOT BE LIABLE FOR ANY CLAIMS OR DAMAGES ARISING FROM INHERENTLY DANGEROUS USE OF THE SOFTWARE AND/OR THIRD-PARTY SOFTWARE LICENSED HEREUNDER.</p> <p>Limitation of Liability. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING, EXCEPT FOR DAMAGES RESULTING FROM UNAUTHORIZED USE OR DISCLOSURE OF PROPRIETARY INFORMATION, UNDER NO CIRCUMSTANCES SHALL SOFTWARE PROVIDER, ITS LICENSORS OR LICENSEE BE LIABLE TO EACH OTHER OR ANY OTHER PERSON OR ENTITY FOR AN AMOUNT OF DAMAGES IN EXCESS OF TWO TIMES THE PAID LICENSE FEES OR BE LIABLE IN ANY AMOUNT FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR INDIRECT DAMAGES, LOSS OF GOOD WILL OR BUSINESS PROFITS, WORK STOPPAGE, DATA LOSS, COMPUTER FAILURE OR MALFUNCTION, OR EXEMPLARY OR PUNITIVE DAMAGES.</p> <p>Severability of Actions. IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT EACH AND EVERY PROVISION OF THIS AGREEMENT WHICH PROVIDES FOR A LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTIES, OR EXCLUSION OF DAMAGES IS INTENDED BY THE PARTIES TO BE SEVERABLE AND INDEPENDENT OF ANY OTHER PROVISION AND TO BE ENFORCED AS SUCH.</p> <p>Will the State insert the above language into the contract?</p>	
61	<p>D.10</p> <p>The State has the start date of the COTS software warranty as when our implementation partner gets the implementation completed and the State's system has "gone live". As with thousands of our customers, our firm's warranty is based upon delivery of our firm's software. Our firm needs to have Tennessee's warranty consistent with all other customers that we have, which are counted among thousands, and include many other large state and federal customers. Additionally, our firm also requires standard and customary exclusions and disclaimers as stated below:</p> <p>Software provider warrants that the Software will substantially conform to the functional specifications contained in the Documentation for six months following delivery. The warranty shall not apply: (i) if the Software is not used in accordance with the Documentation; or (ii) if the defect is caused by a Modification, Licensee, third-party software, or third party database. Software provider does not warrant that the Software will operate uninterrupted or that it will be free from minor defects or errors that do not materially affect such performance, or that the applications contained in the Software are designed to meet all of Licensee's business requirements.</p>	See Amendment # 7, Item F, Written Comment # 44.

	Written Comment	State Response
	<p>Express Disclaimer. SOFTWARE PROVIDER AND ITS LICENSORS DISCLAIM ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE EXCEPT TO THE EXTENT THAT ANY WARRANTIES IMPLIED BY LAW CANNOT BE VALIDLY WAIVED.</p> <p>Will the State insert this language into the contract? Will the state change the warranty start date based upon delivery?</p>	
62	<p>E.1</p> <p>Comment 146. If the contract is “approved” by the State when the State has obtained all applicable signatures from State officials, then can we add a statement to this section confirming that? The clause doesn’t allow the vendor to know when the contract is deemed “approved” by the State.</p>	The State is amending <i>Pro Forma</i> Software License Section E.1 to clarify. See Amendment # 7, Item WW.
63	<p>E.3/E.4</p> <p>As also stated in Section C.3.e above -- Comment 138/148. We reviewed the State's revised clause and don't believe the provision addresses all issues relating to a Software license agreement appropriately. Accordingly, our firm asks the State to reconsider. Our firm agrees that the State may terminate for convenience for any reason. Since this is a contract where the State is receiving our firm's Intellectual Property, there needs to be protection to our firm for the States inappropriate actions. Our firm needs a termination clause that is equitable for both parties. Will the State be willing to insert the following text to the pro forma software contract?</p> <p>This Agreement and the license granted hereunder shall become effective as of the date first set forth above and shall continue in effect thereafter unless terminated upon the earliest to occur of the following: (i) thirty days after Licensee gives Software provider written notice of Licensee's desire to terminate this Agreement, for any reason, but only after payment of all License and Maintenance Fees then due and owing; (ii) thirty days after Software provider gives Licensee notice of Licensee's material breach of any provision of the Agreement (other than Licensee's breach of its obligations under Sections 6 or 10, which breach shall result in immediate termination), including more than thirty days delinquency in Licensee's payment of any money due hereunder, unless Licensee has cured such breach during such thirty day period; (iii) immediately if Licensee files for bankruptcy, becomes insolvent, or makes an assignment for the benefit of creditors.</p> <p>Upon any termination hereunder, Licensee and its Subsidiaries shall immediately cease Use of all Software provider Proprietary Information. Within thirty (30) days after any termination, Licensee shall deliver to Software provider or destroy all copies of the Software provider Proprietary Information in every form. Licensee agrees to certify in writing to Software provider that it has performed the foregoing. Sections (as mutually agreed) shall survive such termination. In the event of any termination hereunder, Licensee shall not be entitled to any refund of any payments</p>	See Amendment # 7, Item F, Written Comment # 50.

	Written Comment	State Response
	made by Licensee.	
64	<p>E.5</p> <p>Comment 149. Software provider has resources around the world that provide “follow-the-sun” Maintenance services for our over 20,000 customers and therefore cannot agree that all subcontractors (that may assist with maintenance services) will be approved by the State. Our software firm will provide services to the State via our Maintenance program, and the prior approval request is not realistic based on the number of resources and the various locations when we provide service on a 24-hour/365-day basis around the world.</p>	<p>The State is not willing to abrogate its right to pre-approve vendor subcontractors. The vendor should not overestimate the complexity of the State’s subcontractor approval process. The State assumes that the vendor knows, at any given time, who is providing its maintenance services and can provide the State with a list of these entities, including entity names and address. It is then a relatively straightforward process for the State to approve this list for the record.</p> <p>Refer to Amendment # 7, Item B, Informational Notice 1.</p>
65	<p>E.11</p> <p>Please delete “, and to pay all applicable taxes incident to this Contract.”</p>	<p>The State will not make the requested deletion.</p>
66	<p>E.14</p> <p>Comment 150. We believe the clarifying helps both parties understand that the compliance isn’t for the Software but rather for the vendor’s workplace. Accordingly, we respectfully resubmit adding the following text to the end of the sentence: “related to workplace, health, and safety, equipment, labor, and eligibility requirements to conduct business that directly apply to Software provider by law, rule or regulation.”</p>	<p>The State cannot agree to the requested addition.</p>
67	<p>E.18</p> <p>Comment 151. Since the Agreement is intended to be the final agreement on terms, we are somewhat confused as to why the State would allow additional terms to be added by Purchase Orders. Can the State please explain why the additional clause below isn’t acceptable to the State? This Contract shall prevail over any additional, conflicting, or inconsistent terms and conditions which may appear on any purchase order or other document furnished by Licensee to Software provider.</p>	<p>The State believes that <i>Pro Forma</i> Contract Section E.18 is sufficiently clear with regard to the “Completeness” of the agreement. Therefore no changes will be made to Section E.18.</p> <p>Refer to Amendment # 7, Item B, Informational Notice 1.</p>
68	<p>E.22</p> <p>Comment 149. Since this is Software Provider’s Proprietary Information, would the State agree to add the following?</p> <p>“Licensee may not, without Software provider’s prior written consent, assign, delegate, pledge, or otherwise transfer this Agreement, or any of its rights or obligations under this Agreement, or the Software provider Proprietary Information, to any party, whether voluntarily or by operation of law, including by way of sale of assets, merger or consolidation. Software provider may assign this Agreement to its parent company.”</p>	<p>Refer to Amendment # 7, Item B, Informational Notice 1.</p>
69	<p>Additional</p> <p>The State’s contract approach includes all Software directly into the License Agreement. Most software companies have the specific software that is licensed by each customer to be listed separately in an attachment. There are several items within our Appendix that are not addressed in the draft contract such as, but not limited to, database, license keys, and delivery. Furthermore it is a standard practice when any future license events take place to execute them through appendices to the Agreement. Will the state be willing to</p>	<p>Refer to Amendment # 7, Item B, Informational Notice 1.</p>

	Written Comment	State Response
	change its format by creating a software license with appendices?	
70	Thanks for the information. Can you tell me which companies are participating? Do you have the big vendors like Oracle and SAP? I'm trying to determine which group at [VENDOR NAME DELETED] this would go to.	See Item F, Written Comment # 1.
	EXCEPTION REQUESTS	THE STATE'S RESPONSES TO EXCEPTION REQUESTS THAT APPEAR BELOW APPLY NOT ONLY TO THE VENDOR THAT ASKED FOR THE EXCEPTION, BUT TO ALL PROPOSERS (SEE RFP ATTACHMENT 6.11, SECTION 6.11.6, FOURTH PARAGRAPH.
	Exception Request Note 1	With regard to MS Project Server: The State approved this product in Amendment # 4, Written Comment 184. While it does not appear in the Tennessee Information Resources Architecture, <u>it is considered a State-standard product</u> . Therefore, Proposers shall <u>not</u> include the Cost for this product in their Cost Proposals.
	Exception Request Note 2	The State may have an existing contract for State standard products structured such that the State can purchase any product from a Software Provider's catalog. Therefore, the State could purchase non-State standard products from the contract. If any such products are proposed, the following stipulations shall apply: 1. The Proposer <u>MUST</u> include the cost for the product in its Cost Proposal; and 2. The State may procure the product from the existing State contract.
71	<p>6.11.6 Exception Request to State Standards</p> <p>RFP PAGE/TAB/TEXT: Exception requests to State standard products must be submitted in writing and received by the State no later than the Written Comments Deadline detailed in the RFP Section 2, Schedule of Events. For each non-State standard product, the written information must describe the functionality that the product provides and how the product will be used in the proposed solution. The supporting documentation requested in 6.11.6.2.1, 6.11.6.2.2, 6.11.6.2.3, 6.11.6.2.4, and 6.11.6.2.5 must also be provided. Pre-approval of the product may not be considered if the requested information and supporting documentation are omitted from the exception request.</p> <p>[VENDOR NAME DELETED] submits the following list of proposed software to gain approval according to the State of Tennessee standards list. Please see below.</p> <p>a) [VENDOR NAME DELETED] Advantage—The proposed Enterprise Resource Planning solution, a [VENDOR NAME DELETED] solution.</p> <p>b) Versata Logic Server 5.5 and Versata Logic Studio 5.6.2.—The Versata Logic Server is embedded into the [VENDOR NAME DELETED] Advantage application and includes IBM Websphere 4.0 Advanced Edition and Jav</p>	<p>a) Exception Request Approved for [VENDOR NAME DELETED] Advantage.</p> <p>b) Exception Request Approved for Versata Logic Server and Versata Logic Studio.</p> <p>c) Exception Request Approved for Pervasive Data Integrator Pro Developer and Data Integrator Pro Engine.</p> <p>d) Exception Request <u>Disapproved</u> for Adobe Present Output Designer and Adobe Present Central Pro. Existing products in the State of Tennessee's Enterprise Content Management (ECM) infrastructure will provide this functionality. Use of ECM is mandatory in the ERP solution.</p> <p>e) Exception Request Approved for 1099Convey 2004.</p> <p>f) Exception Request Approved for MacroMedia RoboHelp Office.</p>

	Written Comment	State Response
	<p>JDK to provide the [VENDOR NAME DELETED] Advantage 3-specific run-time environment. The Versata Logic Studio is the provided application toolkit and supports the above application server (Logic Server) and desktop (Logic Studio) configurations. Details are available at www.versata.com.</p> <p>c] Pervasive Data Integrator™ Pro Developer and Data Integrator™ Pro Engine 8.x.—Data Integrator Pro provides data visualization, transformation, conversion and integration tools. Integrator Pro Engine provides the integration infrastructure and run-time environment. The [VENDOR NAME DELETED] Advantage solution leverages this recommended solution as an Extract, Transform, and Load (ETL) tool for the [VENDOR NAME DELETED] infoAdvantage solution and as a recommended transformation engine for our application-to-application upgrade/conversion engine. Pervasive Data Integrator currently supports Microsoft Windows 2000/98/NT/XP, HP-UX®, IBM AIX, Sun Solaris, and Linux platforms. Details are available at www.pervasive.com.</p> <p>d] Adobe Present Output Designer 5.5.1 and Adobe Present Central Pro 5.5—Formerly known as JetForms, and then Accelio, these products now form an integral part of the Adobe family of products. Together, these products provide the recommended [VENDOR NAME DELETED] Advantage 3 forms handler and print server, as well as the output forms designer. These products also support print, PDF, and HTML information distribution formats, as well as printer, fax, Web and email distribution channels. Output Designer is available on the Microsoft Windows NT/2000/XP platform while Central Pro is available for Microsoft Windows NT/Windows 2000, IBM AIX, Sun Solaris, HP-UX. Details are available at www.adobe.com or www.accelio.com.</p> <p>e] 1099Convey 2004—1009Convey 2004 is 1099 and W-2 printing and electronic/magnetic reporting software. It typically runs from a 32-bit Microsoft Windows desktop environment, but network and client/server versions are available for higher volumes. Details are available at www.1099convey.com.</p> <p>f] MacroMedia RoboHelp Office X5—RoboHelp is a context-sensitive, online help editor and engine for the [VENDOR NAME DELETED] Advantage suite. It is available on Microsoft Windows 95/98/ME/NT 4.0/2000/XP. Details are available at www.macromedia.com.</p> <p>g] Business Objects—[VENDOR NAME DELETED] infoAdvantage uses BusinessObjects and WebIntelligence 5i as its web-based Query, Reporting and Analysis solution. Details are available at www.businessobjects.com.</p> <p>h] Micro Focus Net Express 3.1—Net Express is a COBOL development environment that is used in [VENDOR NAME DELETED] Advantage Human Resources</p>	<p>g] Exception Request Approved for BusinessObjects and WebIntelligence.</p> <p>h] Exception Request Approved for Micro Focus Net Express.</p> <p>i] Exception Request <u>Disapproved</u> for PatternStream. Existing products in the State of Tennessee's Enterprise Content Management (ECM) infrastructure will provide this functionality. Use of ECM is mandatory in the ERP solution.</p> <p>j] Exception Request Approved for BrassRing.</p> <p>k] Exception Request Approved for IBM Websphere Application Server.</p> <p>l] Exception Request Approved for MRO MAXIMO.</p> <p>m] Exception Request Approved for DeltaXML.</p>

	Written Comment	State Response
	<p>Management (HRM) to compile and run a subset of code pertaining to payroll processes providing COBOL/Java interoperability.</p> <p>i] FiniteMatters—PatterStream from FiniteMatters is an automated document development tool built on Adobe's FrameMaker application. At the touch of a button PatternStream consolidates the applicable source data into the predefined format, reducing document production times from weeks and months down to a matter of minutes. Details are available at www.fml.com.</p> <p>j] BrassRing—BrassRing is a component of the [VENDOR NAME DELETED] Advantage Human Resources Management solution, providing Recruiting and Staffing functionality, including web-based Recruiting Self Service. Details are available at www.brassring.com.</p> <p>k] IBM WebSphere® Application Server 5.1.1.1—IBM WebSphere Application Server is the premier Java™ technology-based application server, integrating enterprise data and transactions with the ebusiness world. It provides a rich, business application deployment environment with a complete set of application services including capabilities for transaction management, security, clustering, performance, availability, connectivity and scalability. It provides the J2EE "container services" (as mentioned above) for [VENDOR NAME DELETED] Advantage application. IBM HTTP Server is a Web server application based on the Apache Web server platform developed by the Apache Group (www.apache.org) and is bundled with the WebSphere Application Server. The use of IBM HTTP Server is not required but optional as some organizations may chose to use other web services like Microsoft's IIS which is supported by [VENDOR NAME DELETED] Advantage as well.</p> <p>l] MRO MAXIMO—MAXIMO is a component of the [VENDOR NAME DELETED] Advantage Financial Management solution, providing Work Order and Fleet Management functions for service requests, work orders, preventative maintenance, facilities management, inventory, and resources. MRO MAXIMO is part of our proposed [VENDOR NAME DELETED] Advantage solution. Details are available at www.mro.com.</p> <p>m] DeltaXML—This industry leading tool us used in [VENDOR NAME DELETED] Advantage 3 as an embedded upgrade tool. Details are available at www.deltaxml.com.</p>	
72	<p>Please find attached supporting documentation for CORE One-Step Payment Processing System that further identifies the technical infrastructure of the product per the State's request in Amendment #2.</p> <p>[This refers to Amendment # 2, Item D, Informational Notice 1]</p>	Exception Request Approved
73	Please find attached an additional request for Exceptions to the State Standards in addition to a few clarifications	a] Exception Request Approved to use Windows 2003 with IIS and .NET Framework and Windows 2003 with Crystal Enterprise for FleetFocus.

	Written Comment	State Response
	<p>regarding previously approved products.</p> <p>As outlined in section 6.11.6.1, [VENDOR NAME DELETED] is requesting an exception to add the following products to the State list of acceptable and compatible applications (as stated in 6.11.6.2.5) for the purposes of RFP No. 317.03.134.</p> <p>a] [VENDOR NAME DELETED]'s FleetFocus</p> <p>b] Microsoft Windows Internet Information Services (IIS)</p> <p>c] System Innovators - iNovah</p>	<p>b] Exception Request Approved to use Microsoft IIS with FleetFocus.</p> <p>c] Exception Request Approved for iNovah.</p>
74	<p>[VENDOR NAME DELETED] respectfully submits the following Exception Requests to State Standards related to the Request for Proposals for the Tennessee Department of Finance and Administration for Enterprise Resource Planning (ERP) Software and Services (RFP Number 317.03-134). These Exception Requests are submitted on behalf of [VENDOR NAME DELETED], as the Prime Vendor, our Primary Software Vendor, [VENDOR NAME DELETED], and our other subcontractors.</p> <p>a] TOPCALL is a new submittal to replace our previous request of Genifax, because TopCall software integrates with Novell Groupwise</p> <p>b] CORE Business Technologies is a re-submittal based on the additional technical information provided in the attached table</p> <p>c] Business Objects is a new submittal; however, they are already an approved State vendor</p>	<p>a] The State approves Topcall to be proposed for fax services in the system. However, we would prefer the use of Faxware by Tobit Software, which is already implemented at the State and anticipated for adoption as a State standard. If Faxware is proposed, the Proposer does not need to include its cost in the Cost Proposal.</p> <p>b] Exception Request Approved for CORE Business Technologies.</p> <p>c] Exception Request Approved for Business Objects Connector – SAP Integration Kit.</p>
75	<p>The State approved our exception request to use SAP Web Application Server to execute the mySAP Business Suite in the software category Application Architecture/Application Access/Application Server. Since submitting the exception request, the component of mySAP Business Suite has undergone a name change. The component is now called SAP NetWeaver Application Server. The component has only changed names and this is not a substitution for a new component. We ask that the State allow us to use SAP NetWeaver Application in our solution as the Application Server instead of the previous name for the component SAP Web Application Server.</p>	<p>The State acknowledges the product name change and confirms the Exception Request approval still stands.</p>

- G. Insert the new RFP Attachment 6.20, that appears in Attachment 1 of this Amendment # 7, at the end of the RFP following RFP Attachment 6.19.**
- H. Insert the new RFP Attachment 6.21, that appears in Attachment 2 of this Amendment # 7, at the end of the RFP following RFP Attachment 6.20.**
- I. Add the following paragraph as the next-to-last paragraph in RFP Section 1.1:**

In the interest of obtaining the best value for the State of Tennessee, the Edison project RFP will incorporate a Best and Final Offer (BAFO) process. Initially, Proposers will submit a Technical

Proposal only. The State will score this initial Technical Proposal, using the Technical Proposal & Evaluation Guide (RFP Attachment 6.3). Contemporaneous with this scoring process, the State will develop BAFO request documents and when the initial scoring process is complete, the State will distribute these documents to the Proposers. These initial scores will then be carried forward into the BAFO Proposal scoring round. Regardless of the outcome the initial scoring process, all Proposers are allowed to proceed to the BAFO process, which entails the Proposers responding to the BAFO requests, clarifying or supplementing their Technical Proposals, and submitting the clarifications/supplements along with a BAFO Cost Proposal. Proposers must submit their BAFO Proposals (including both Technical and Cost Proposals) by the deadline listed in RFP Section 2, RFP Schedule of Events. Evaluators will then rescore Proposal sections for which the Proposers have provided clarified or supplemental information; these are the only sections that evaluators may rescore. The Software Demonstrations and RFP Attachment 6.3, Section A – Mandatory Requirement A.1 through A.5 will not be reevaluated or rescored. (See RFP Attachment 6.20 for a complete description of the BAFO process.) Except as specifically otherwise indicated in writing by the State, or where provisions are clearly not applicable, all provisions of the RFP governing the initial proposal shall also apply to the BAFO proposal process.

- J. Delete the final paragraph of RFP Section 1.1.2 in its entirety and insert the following in its place:**

The State has established mandatory requirements that must be met by all proposals submitted for evaluation. To qualify to submit a proposal, the Proposer must have completed, as the primary provider of implementation services, a state or local public sector implementation of an integrated ERP system (including integrated financial management, procurement and human resources / payroll functionality) for an organization with total annual expenditures (including state and federal appropriations) of at least \$12 billion and with at least 25,000 employees. Additionally, the proposed version of the ERP software (including integrated financial management, procurement and human resources / payroll functionality) must be currently in production in a public sector environment which includes, for the ERP software, a city, county or state government or a public or private higher education institution. Please refer to RFP Attachment 6.3, Section B.14, for reference information required to substantiate these requirements. These qualifications are mandatory, and proposals that lack these criteria will be disqualified from evaluation. Please refer to RFP Attachment 6.3, Section A, for additional mandatory criteria for this RFP.

- K. Delete the paragraph under RFP Section 3, Proposal Requirements, in its entirety and insert the following in its place:**

Each Proposer must submit proposals in response to this RFP in accordance with the provisions of RFP Section 3, including its subsections. There will be two distinct Proposal processes: (1) Initial Proposal, also known as “Round 1,” and consisting of a Technical Proposal only; and (2) BAFO Proposal, also known as “Round 2.” The BAFO process is further described in RFP Attachment 6.20.

- L. Add the following Sections to RFP Section 3, Proposal Requirements as Section 3.1, and associated subsections, and renumber the subsequent sections accordingly:**

3.1 Initial Proposal Form and Delivery

- 3.1.1 The Proposer will provide an initial Technical Proposal in response to this RFP (as described below).
- 3.1.2 Each Proposer must submit one (1) original and fifteen (15) copies of the initial Technical Proposal to the State in a sealed package that is clearly marked:

“Initial Technical Proposal in Response to RFP- 317.03-134 - Do Not Open”

The State also requires thirty (30) CD copies of the Technical Proposal, as described in RFP Section 3.3.4, below.

- 3.1.3 The State must receive all initial Technical Proposals in response to this RFP, at the following address, no later than the Initial Technical Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events.

Department of Finance and Administration
Office for Information Resources
17th Floor, William R. Snodgrass TN Tower
312 8th Avenue North
Nashville, TN 37243

- 3.1.4 A Proposer may not deliver a proposal orally or by any means of electronic transmission.

M. Delete RFP Section 3.2 (renumbered from 3.1 in the preceding item) in its entirety, including its subsections, and insert the following in its place; subsequent sections must be renumbered accordingly:

3.2 BAFO Proposal Form and Delivery

- 3.2.1 Each BAFO Proposal response to this RFP must consist of a Technical Proposal and a Cost Proposal (as described below).

- 3.2.2 Each Proposer must submit one (1) original and fifteen (15) copies of the BAFO Technical Proposal to the State in a sealed package that is clearly marked:

“BAFO Technical Proposal in Response to RFP- 317.03-134 - Do Not Open”

The State also requires thirty (30) CD copies of the BAFO Technical Proposal, as described in RFP Section 3.3.4, below.

- 3.2.3 Each Proposer must submit one (1) BAFO Cost Proposal to the State in a separate, sealed package that is clearly marked:

“BAFO Cost Proposal in Response to RFP- 317.03-134 - Do Not Open”

The State also requires one (1) CD copy of the Cost Proposal, as described in RFP Section 3.4.2.

- 3.2.4 If a Proposer encloses the separately sealed proposals (as detailed above) in a larger package for mailing, the Proposer must clearly mark the outermost package:

“Contains Separately Sealed Technical and Cost Proposals for RFP- 317.03-134”

- 3.2.5 The State must receive all BAFO proposals in response to this RFP, at the following address, no later than the BAFO Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events.

Department of Finance and Administration
Office for Information Resources
17th Floor, William R. Snodgrass TN Tower
312 8th Avenue North
Nashville, TN 37243

- 3.2.6 A Proposer may not deliver a proposal orally or by any means of electronic transmission.

N. Delete the Section header for RFP Section 5 in its entirety and insert the following in its place:

5 Initial Proposal, BAFO Evaluation & Contract Award

O. Delete the paragraph under RFP Section 5.2, Evaluation Process, in its entirety and insert the following in its place:

The proposal evaluation process is designed to award the contract not necessarily to the Proposer of least cost, but rather to the Proposer with the best combination of attributes based upon the evaluation criteria. Sections 5.2.1 through 5.2.7 describe the evaluation process for Round 1, the initial Technical Proposal evaluation that precedes the BAFO process; Section 5.2.5 outlines the BAFO process and refers to RFP Attachment 6.20 for a detailed description.

P. Delete RFP Section 5.2.1.1 and insert the following in its place:

- 5.2.1.1 The RFP Coordinator will review each Technical Proposal to determine compliance with mandatory requirements (refer to RFP Attachment 6.3, Technical Proposal and Evaluation Guide, Section A). If the RFP Coordinator determines that a proposal may have failed to meet one or more of the mandatory requirements, the Core ERP Evaluation Team will review the proposal and document its determination of whether: (1) the proposal meets requirements for further evaluation; (2) the State will request clarifications or corrections; or, (3) the State will determine the proposal non-responsive to the RFP and reject it. Note that Mandatory Items A.1 through A.5 will not be evaluated during the BAFO process, and the Proposer may not use the BAFO process to clarify these items.

Q. Delete RFP Section 5.2.3.1 in its entirety, and insert the following in its place:

- 5.2.3.1 The Proposal Evaluation Team will evaluate each Software Demonstration. The Proposal Evaluation Team will consist of the same Core ERP Evaluation Team and appropriate Specialized Business Evaluation Sub-Teams. The Core ERP Evaluation Team will evaluate RFP Attachment 6.3, Section E, Item 2, the Implementation Services and Item 3, the General System Requirements portions of the Demonstration. The Specialized Business Evaluation Sub-Teams will evaluate Items 4 through 26, the Functional Requirements portions of the Demonstration.

R. Add the following as RFP Section 5.2.5 and renumber subsequent sections accordingly:

- 5.2.5 Upon completion of the initial Technical Proposal scoring, the State will execute the BAFO process outlined below. Note that there are four (4) Mandatory Requirements expressed in Section A of RFP Attachment 6.3 that may be further clarified or supplemented during the BAFO process: A.6, A.7, A.8, and A.9. (A.1 through A.5 may

not be clarified during BAFO.) For a detailed description of the process, see RFP Attachment 6.20.

- a. During the Initial Technical Proposal scoring process the State will develop BAFO Request documents for each of the Proposers.
- b. Upon completion of initial Technical Proposal scoring, the State will distribute the BAFO Requests to the Proposers.
- c. The Proposers will submit BAFO Proposals, consisting of separately sealed Technical and Cost Proposals by the deadline given in RFP Section 2, RFP Schedule of Events.
- d. The State will evaluate and score the BAFO Technical Proposals using the BAFO Score Sheets contained in RFP Attachment 6.21. Prior to distributing these score sheets to the evaluators, the RFP Coordinator, with assistance from Subject Matter Experts (SMEs), will modify these scoresheets such that the evaluators can only score Proposal sections for which the Proposers have provided clarified or supplemental information. The Software Demonstration will not be rescored during BAFO. The Software Demonstration scores and all Round 1 scores that were not clarified or supplemented will be carried forward and entered into the BAFO Score Sheets.
- e. The RFP Coordinator, with assistance from the SMEs, will transcribe all scores to a BAFO Proposal Score Summary Matrix (RFP Attachment 6.7), and calculate the averages.
- f. After the BAFO Technical Proposal scores have been finalized, the RFP Coordinator will open the BAFO Cost Proposals and score them.
- g. The RFP Coordinator will enter the BAFO Cost Proposal scores into the Proposal Score Summary Matrix to derive the Final BAFO Score.

S. Delete the third paragraph of RFP Section 5.3.4 in its entirety and insert the following in its place:

During the Best and Final Offer (BAFO) process, contract negotiations with the successful vendor, or at any time during the term of the Contract, and at the State's sole discretion, the State may choose to remove the following software modules and their associated implementation services from the ERP system scope. If any module is removed, then the State also will remove the scores for that module from all scoring steps:

T. Delete Section A.3.b of RFP Attachment 6.1, the *Pro Forma* Integrator Contract in its entirety and insert the following in its place:

A.3.b The State will use the following criteria to determine the suitability of the five application modules listed in A.3.a above.

- i. **Module Fit from ERP Functional Requirements.** If an application module scores less than 70% of the possible total maximum points from the evaluation of that module in the ERP Functional Requirements, either during initial Technical Proposal scoring (Round 1), or during the BAFO process (Round 2), then that module will be eligible, at the State's discretion, for exclusion.

- ii. **Module Fit from Software Demonstration.** If an application module scores less than 70% of the possible total maximum points from the evaluation of that module in the Software Demonstration, that module will be eligible, at the State's discretion, for exclusion.
- iii. **Degree of Customization.** If the total cost to modify an application module to make it meet the State's requirements is more than 50% of the software license fee quoted for that module in the BAFO (Round 2) Cost Proposal, that module will be eligible, at the State's discretion, for exclusion.
- iv. **Module Maturity.** If the application module has not been installed at two or more other public sector organizations that meet the size criteria established for qualification for this RFP in RFP Attachment 6.3, Section B.14, and been in production for at least one year at those two deployments, that module will be eligible, at the State's discretion, for exclusion.

U. Delete Section A.33 of RFP Attachment 6.1, *Pro Forma Integrator Contract* in its entirety and insert the following in its place:

A.33 Performance Standards and Liquidated Damages Assessment.

At the first incident of failure to meet one or more of the performance standards defined in the table below, the State, at its discretion, may request a corrective action plan and establish an extension date by which the Contractor shall correct the deficiency. Continued failure to meet performance standards may result in the State seeking to recover damages as permitted by the contract or at law, including liquidated damages as established in this contract where appropriate.

Performance Area	Performance Item	Performance Period	Liquidated and Additional Damages
Payroll	Failure to produce accurate payroll ACH/Checks accurately and on-time.	First two regular payroll runs for each pay frequency (biweekly, monthly, semimonthly, etc.)	\$30,000 per day
	Failure to produce accurate and complete W2 statement to employees within federal deadline	First complete set of year-end W-2s produced by Edison	\$5,000 per day plus any IRS late payment assessment
	Failure to generate Third Party Provider Payments and accompanying accurate financial posting	60 days from applicable go-live date	Five business days after receiving written notification from the State, if the correct payment has not been generated or posting corrected, \$5,000 per day
Time Entry & Leave Accounting	Failure to maintain correct time and leave balances for all state employees	First two regular payroll runs for each pay frequency (biweekly, monthly, semimonthly, etc.)	Five business days after receiving written notification from the State, if an employee's balance is not correct, \$100 per day per employee with a \$1000 per day ceiling
Applicant Services	Failure to satisfy the applicant selection process to include, generating agency-specific lists of applicants in rank order and automatically determining the selected applicant's eligibility for appointment based on civil service law.	60 days from applicable go-live date	Five business days after receiving written notification from the State, if the list of applicants is not generating as specified, \$3,000 per day

Performance Area	Performance Item	Performance Period	Liquidated and Additional Damages
Accounts Payable	Produce accurate, timely vendor ACH/Checks	60 days from applicable go-live date	Five business days after receiving written notification from the State, if the correct payment has not been generated, \$5,000 per day plus any interest or late payment assessments owed to vendors
	Failure to generate accurate, timely, vendor 1099s by the federal deadline	First complete set of 1099s produced by Edison	\$3,000 per day plus any IRS late payment assessments
Bank Reconciliation	Execute automated reconciliation of Bank balances within 10 days of end of month or receipt of reconciliation files from bank, whichever is later	60 days from applicable go-live date	Five business days after receiving written notification from the State, if the reconciliation has not been completed, \$1,000 per day
Project/Grant	Generate accurate billing information required for grant accounting/billing of federal government within 10 days of end of month	60 days from applicable go-live date	Five business days after receiving written notification from the State, if the correct payment has not been generated, \$1,000 per day
Key Staff	Removal of Key Staff without the written approval of the State. See Contract Section E.21 regarding terms and conditions for key staff.	For term of contract	\$50,000 per occurrence

V. Delete Section A.34.a.2) of RFP Attachment 6.1, the *Pro Forma* Integrator Contract in its entirety and insert the following in its place:

2) General Terms.

The Contractor expressly warrants that any components of the Edison System provided or configured by the Contractor, and any products or services resulting from change orders and enhancements produced or provided by the Contractor to the State, as being compliant in all material respects with the terms of the Contract or the change order or enhancement request, and warrants that these products or services will be free from material errors, defects, deficiencies or deviations, and that the products or services will perform in such a manner as the Contract, change order or enhancement request require, so that the intended function of the products or services is accomplished in all material respects as intended by the Contract, the change order or enhancement request, and is otherwise consistent with industry standards.

W. Delete Section C.3.a of RFP Attachment 6.1, *Pro Forma* Integrator Contract in its entirety and insert the following in its place:

C.3.a. Deliverable Payment Schedule - HR/Payroll Implementation.

DELIVERABLE PAYMENT SCHEDULE - HUMAN RESOURCES AND PAYROLL				
Total HR Payroll Cost from Total Cost Schedule		\$	-	
- less Total HR Application Software License from Total Cost Schedule		\$	-	
- less Payroll Software Ongoing Licensure from Total Cost Schedule		\$	-	
- equals Total HR Payroll Implementation Services		\$	-	
Payment Number	Implementation Deliverable Description (Contract Section # where Deliverable is Described)	Estimated Payment Month	Payment Percentage	Payment Amount
1	Completed: Master Project Workplan (A.21.a.3), Change Management Plan (A.21.a.5), Project Standards and Procedures (A.21.a.6)	Jul-06	3.0%	\$ -
2	Completed: Capacity Analysis and Evaluation (A.21.a.8, A.21.a.9), Issue Resolution Plan (A.21.a.10), Knowledge Transfer Plan (A.21.a.11)	Aug-06	4.0%	\$ -
3	Completed: Training Plan (A.21.a.12), Backup and Recovery Plan (A.21.a.14), Architecture Design Plan (A.21.a.7)	Aug-06	4.0%	\$ -
4	Completed: Software Installed (A.22.a.1), System Design Document (A.22.a.5), Fit/Gap Analysis (A.22.a.4), Interface Approach Plan (A.22.a.6), Data Conversion Plan (A.22.a.7), Inventory of Enhancements (A.22.a.8), Inventory of Reports (A.22.a.9), Inventory of Workflows (A.22.a.10), Training Analysis and Design Prototype (A.22.a.11)	Oct-06	10.0%	\$ -
5	Completed: Change Management Deliverables (leadership alignment, stakeholder management, business readiness) (A.22.a.12.1), Security Plan (A.22.a.13)	Nov-06	2.0%	\$ -
6	Completed: Change Management Deliverables (Communication Plan, Stakeholder Actions Plans, Business Readiness Deliverables) (A.21.a.4, A.22.a.12.2, A.22.a.12.3)	Dec-06	7.0%	\$ -
7	Completed: Designed and Developed Software (Reports, Conversions, Enhancements, Workflows) (A.23.a.1)	Dec-06	7.0%	\$ -
8	Completed: Unit Tested Transactions (A.24.a.2), Detailed Test Plan (A.24.a.1)	Jan-07	6.0%	\$ -
9	Completed: End User Training Materials (A.24.a.6.1), Train the Trainer Workshop Design (A.24.a.6.2)	Mar-07	6.0%	\$ -
10	Completed: Agency Implementation Guide (A.24.a.9)	Mar-07	2.0%	\$ -
11	Completed: Integration Testing (A.24.a.3)	Apr-07	2.0%	\$ -
12	Completed: Acceptance Testing (A.24.a.4)	May-07	5.0%	\$ -
13	Completed: Production Cutover Plan (A.25.a.2)	Jun-07	5.0%	\$ -
14	Completed: Payroll Parallel Testing (A.24.a.5)	Aug-07	15.0%	\$ -
15	Completed: Production System Test (A.25.a.1)	Oct-07	5.0%	\$ -
16	Production System Live (A.25.a.9)	Jan-08	6.0%	\$ -
17	Accepted Production System (Retainage), Completed System Acceptance Checklist (A.26.a.4)	Apr-08	10.0%	\$ -
18	Completed: Year End Support Acceptance Checklist (A.26.a.7)	Jan-09	1.0%	\$ -
Total Implementation Cost			100%	\$ -

- X. Delete Section C.3.b of RFP Attachment 6.1, *Pro Forma* Integrator Contract in its entirety and insert the following in its place:

C.3.b. Deliverable Payment Schedule - Financials/Procurement/Logistics Implementation.

DELIVERABLE PAYMENT SCHEDULE - FINANCIALS, PROCUREMENT AND LOGISTICS				
Total Fin., Procurement and Logistics Cost from Total Cost Schedule		\$	-	
- less Total Fin/Proc/Log Application Software License from Total Cost Schedule		\$	-	
- less Fin/Proc/Log Ongoing Software Licensure from Total Cost Schedule		\$	-	
- equals Total Fin., Procurement and Logistics Implementation Services		\$	-	
Payment Number	Implementation Deliverable Description (Contract Section # where Deliverable is Described)	Estimated Payment Month	Payment Percentage	Payment Amount
1	Completed: Master Project Workplan (A.21.a.3), Change Management Plan (A.21.a.5), Project Standards and Procedures (A.21.a.6)	Jul-06	4.0%	\$ -
2	Completed: Capacity Analysis and Evaluation (A.21.a.8, A.21.a.9), Issue Resolution Plan (A.21.a.10), Knowledge Transfer Plan (A.21.a.11)	Jul-06	5.0%	\$ -
3	Completed: Training Plan (A.21.a.12), Backup and Recovery Plan (A.21.a.14), Architecture Design Plan (A.21.a.7)	Aug-06	5.0%	\$ -
4	Completed: System Design Document (A.27.a.5), Fit/Gap Analysis (A.27.a.4), Interface Approach Plan (A.27.a.6), Data Conversion Plan (A.27.a.7), Inventory of Enhancements (A.27.a.8), Inventory of Reports (A.27.a.9), Inventory of Workflows (A.27.a.10), Training Analysis and Design Prototype (A.27.a.11)	Nov-06	18.0%	\$ -
5	Completed: Change Management Deliverables (leadership alignment, stakeholder management, business readiness) (A.27.a.12.1), Security Plan (A.27.a.13)	Dec-06	2.0%	\$ -
6	Completed: Change Management Deliverables (Communication Plan, Stakeholder Actions Plans, Business Readiness Deliverables) (A.21.a.4, A.27.a.12.2, A.27.a.12.3)	Jan-07	5.0%	\$ -
7	Completed: Designed and Developed Software (Reports, Conversions, Enhancements, Workflows) (A.28.a.1)	Mar-07	7.0%	\$ -
8	Completed: Unit Tested Transactions (A.29.a.2), Detailed Test Plan (A.29.a.1)	Apr-07	8.0%	\$ -
9	Completed: End User Training Materials (A.29.a.5.1), Train the Trainer Workshop Design (A.29.a.5.2)	May-07	5.0%	\$ -
10	Completed: Agency Implementation Guide (A.29.a.8)	Jul-07	2.0%	\$ -
11	Completed: Integration Testing (A.29.a.3)	Oct-07	8.0%	\$ -
12	Completed: Acceptance Testing (A.29.a.4)	Jan-08	5.0%	\$ -
13	Completed: Production Cutover Plan (A.30.a.2)	Mar-08	5.0%	\$ -
14	Completed Production System Test (A.30.a.1)	Apr-08	5.0%	\$ -
15	Production System Live (A.30.a.8)	Jul-08	5.0%	\$ -
16	Accepted Production System for First Deployment Wave (Retainage #1), Completed System Acceptance Checklist (A.31.a.4)	Sep-08	4.0%	\$ -
17	Accepted Production System for Second Deployment Wave (Retainage #2), Completed System Acceptance Checklist (A.31.a.4)	Dec-08	3.0%	\$ -
18	Accepted Production System for Third Deployment Wave (Retainage #3), Completed System Acceptance Checklist (A.31.a.4)	Mar-09	3.0%	\$ -
19	Completed: Year End Support Acceptance Checklist (A.31.a.6)	Jul-09	1.0%	\$ -
Total Implementation Cost			100%	\$ -

Y. Delete Section C.3.c.iii of RFP Attachment 6.1, *Pro Forma* Integrator Contract in its entirety and insert the following in its place:

C.3.c.iii. In the event of a termination of this Contract under the provisions of Sections D.3 or D.4, the State shall compensate the Contractor for authorized work, undertaken in compliance with the terms of the Contract, and deemed complete by the State. Since the termination may not coincide with the completion of a given payment point or points in the tables in C.3.a and C.3.b above, any such compensation shall be made to the extent that that the State can establish reasonable, objective criteria for assessing the completeness of discrete portions of the work.

Z. Add the following to RFP Attachment 6.1, *Pro Forma Integrator Contract*, as Section E.15.d:

E.15.d. The Contractor agrees that it shall be liable for any charges imposed by the Federal Government on the State as a result of any claim related to HIPAA non-compliance, to the extent that such claim is related to products provided by the Contractor.

AA. Delete Section E.20 of RFP Attachment 6.1, *Pro Forma Integrator Contract*, in its entirety and insert the following in its place:

E.20. Accessibility. The implemented software solution must be accessible to individuals with disabilities at the time the software is put into productional use. This includes addressing the Americans with Disabilities Act (ADA) Section 508 standards and Web Accessibility Initiative (WAI) Web Content Accessibility Priority 1 guidelines. If the State notifies the Contractor that a person has made a claim against the State concerning accessibility of products furnished by the Contractor under this contract, the Contractor will work with the State in an effort to remedy the claim in a timely manner. To the extent that the claim is related to products provided by the Contractor, the Contractor further agrees that it shall be liable for the actual costs of attorney fees to defend the State and the monetary amount of any judgments rendered against the State as a result of any such claim.

BB. Add the following to RFP Attachment 6.1, *Pro Forma Integrator Contract*, as Section E.24:

E.24. COBRA Compliance. The implemented software solution must comply with the Consolidated Omnibus Budget Reconciliation Act (COBRA). The Contractor agrees that it shall be liable for any charges imposed by the Federal Government on the State as a result of any claim related to COBRA compliance, to the extent that such claim is related to products provided by the Contractor.

CC. Delete RFP Attachment 6.3, *Technical Proposal & Evaluation Guide – Section A*, in its entirety and replace it with the version of Section A that appears in Amendment # 7, Attachment 5.

DD. Delete RFP Attachment 6.5, *Cost Proposal – Part B*, in its entirety and replace it with the version of Part B that appears in Amendment # 7, Attachment 6.

EE. Delete Section 6.11.6.b of RFP Attachment 6.11 in its entirety and insert the following in its place:

6.11.6.b. Proposals that include non-State standard product(s), which were submitted to the State as a Written Question and disapproved, may be disqualified for proposing the disapproved non-State standard product(s).

FF. Delete Section 6.11.6.c of RFP Attachment 6.11 in its entirety and insert the following in its place:

6.11.6.c. For Proposals that include non-State standard product(s), which were not submitted to the State as a Written Question and approved as an exception, the State expects that the vendor will replace the non-State standard product with an equivalent State standard product, prior to system implementation, with no increase in the proposed cost; if the vendor will not agree to do this, the vendor's proposal will be disqualified. In the event that there is no equivalent State standard product, the State reserves the right to consider the proposed product on a case-by-case basis. For any such products, the Proposer is still required to submit the supporting documentation requested in RFP Attachment 6.2, Section 6.2.11.2. The decision to allow or disallow

such products shall be at the State's sole discretion; if the State decides to disallow the product, the State may disqualify the Proposal.

GG. Delete Section 6.12.1.3 of RFP Attachment 6.12 in its entirety and insert the following in its place:

6.12.1.3 Project Work Plan

The Proposer shall provide a detailed Project Work Plan for all proposed project tasks, including the deliverables listed in Section A of RFP Attachment 6.1, *Pro Forma* Integrator Contract. The Project Manager will monitor and update the Project Work Plan, revising as appropriate. The plan must be accessible via Microsoft Project 2000®, and shall be included with the response in both a printed copy bound with the Technical Proposal and an electronic copy of the file in Microsoft Project format. (Do not submit in only PDF format.) The plan must include the requirements specified in RFP Attachment 6.1, Contract Section A.21.a.3, Master Project Workplan. State leadership believes that the target production dates described in Contract Section A.4 provide adequate time for satisfactory completion of the project. If a Proposer proposes any other implementation timeline, such a proposal will be considered an alternative proposal and may be disqualified.

In addition to the detailed Project Work Plan, Proposers must submit a high-level timeline for their proposed approach in a Gantt chart accessible by Microsoft Project 2000®. The timeline must be included in both printed and electronic formats, and the electronic version must be submitted electronically in Microsoft Project file format.

HH. Delete Section A.3.b of RFP Attachment 6.19, the *Pro Forma* Software License, in its entirety and insert the following in its place:

A.3.b. Software Provider hereby grants to Licensee a non-exclusive, irrevocable, perpetual license with right of sublicense, to use the Contractor-Owned Software for Licensee's Internal Business Operations, but not including the right to market or sell the software for commercial purposes, in machine-readable object code in the Territory (the "License"). "Internal Business Operations" shall mean all business of any kind undertaken by or on behalf of the State of Tennessee, its agents or its representatives. "Territory" shall mean throughout the world.

II. Delete RFP Attachment 6.19, *Pro Forma* Software License, Section A.3.d in its entirety, and insert the following in its place:

A.3.d. The License includes access to documentation and other proprietary information related to the Software (the "Proprietary Information"), which Software Provider shall deliver to Licensee promptly upon execution of the Contract and which Software Provider shall update and supplement as required during the Term of this License, in accordance with Section A.4 below.

JJ. Delete RFP Attachment 6.19, *Pro Forma* Software License, Section A.3.i in its entirety, and insert the following in its place:

A.3.i. Export Control. The Software, documentation, and other proprietary information are or may be subject to regulation by agencies of the U.S. Government, including the U.S. Department of Commerce, prohibiting the export or diversion of certain technical products to certain countries.

KK. Add the following note to the Section A.3 header in RFP Attachment 6.19, *Pro Forma* Software License:

A.3 Specific Software Provisions. [IF NECESSARY, THE LICENSEE WILL INCLUDE THE SOFTWARE PROVIDER'S LICENSING AGREEMENT AS A PART OF THIS CONTRACT. IF THIS IS THE CASE, ANY AND ALL SOFTWARE PROVIDER LICENSING AGREEMENTS SHALL BE INCLUDED (IN ORIGINAL OR MODIFIED FORM) AS ADDENDA TO THIS CONTRACT, AND THE STATE'S SIGNATURE ON THIS CONTRACT SHALL CONSTITUTE THE STATE'S WRITTEN AGREEMENT TO THE PROVISIONS SO INCLUDED. THE STATE WILL NOT SIGN SEPARATE SOFTWARE PROVIDER LICENSING AGREEMENTS. MOREOVER, IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THIS CONTRACT AND THE TERMS OF ANY SOFTWARE PROVIDER LICENSING AGREEMENT PROVISIONS, THE TERMS OF THIS CONTRACT SHALL PREVAIL. IN ADDITION, THE STATE RESERVES THE RIGHT TO MODIFY THE SOFTWARE PROVIDER'S LICENSING AGREEMENT PROVISIONS PRIOR TO AGREEING TO THEM, IF THE STATE DEEMS THIS NECESSARY IN ORDER TO MEET STATE LEGAL REQUIREMENTS.]

LL. Delete Section A.7.b of RFP Attachment 6.19, the *Pro Forma Software License*, in its entirety and insert the following in its place:

A.7.b The State will use the following criteria to determine the suitability of the five application modules listed in A.7.a above.

- i. Module Fit from ERP Functional Requirements. If an application module scores less than 70% of the possible total maximum points from the evaluation of that module in the ERP Functional Requirements, either during initial Technical Proposal scoring (Round 1), or during the BAFO process (Round 2), then that module will be eligible, at the State's discretion, for exclusion.
- ii. Module Fit from Software Demonstration. If an application module scores less than 70% of the possible total maximum points from the evaluation of that module in the Software Demonstration, that module will be eligible, at the State's discretion, for exclusion.
- iii. Degree of Customization. If the total cost to modify an application module to make it meet the State's requirements is more than 50% of the software license fee quoted for that module in the BAFO (Round 2) Cost Proposal, that module will be eligible, at the State's discretion, for exclusion.
- iv. Module Maturity. The module shall be eligible, at the State's discretion, for exclusion, if it does not meet the following requirements:
 - 1) The software has been installed at two or more other public sector organizations with total annual expenditures of \$12 billion or more (capital inclusive) and at least 25,000 employees.
 - 2) The software must have been in production for at least one year at the two deployments referenced in Section A.7.b.iv.1.

MM. Delete the second table in Section C.3.a of RFP Attachment 6.19, the *Pro Forma Software License*, in its entirety and insert the following in its place:

Payment Number	Core Software Description	Estimated Payment Month	Payment Percentage	Payment Amount
1	Initial Software Installation, Payment Made to Software Vendor Based on Completed Vendor Baseline Test Suite	Jul-06	50%	\$ -
2	Annual Ongoing Software License	Jul-06	100%	\$ -
3	Final Software Installation Payment	Jan-07	50%	\$ -
4	Annual Ongoing Software License	Jan-07	100%	\$ -
5	Annual Ongoing Software License	Jan-08	100%	\$ -
6	Annual Ongoing Software License	Jan-09	100%	\$ -
7	Annual Ongoing Software License	Jan-10	100%	\$ -
Total Software and Ongoing License				\$ -

NN. Delete RFP Attachment 6.19, *Pro Forma Software License*, Section C.3.c in its entirety, and insert the following in its place:

C.3.c. In the event that this Contract is terminated prior to the end of any Annual Licensure Fee year, then the Software Provider shall prorate the Annual Ongoing Software License fee and shall reimburse Licensee for the full monetary amount of the remainder of the unused licensure year.

OO. Delete RFP Attachment 6.19, *Pro Forma Software License*, Section C.4 in its entirety, and insert the following in its place:

C.4 Travel Compensation. The State shall reimburse the Contractor for travel specifically related to the system support provisions of this Contract (Section A.4) and undertaken in each event with prior written approval of the State. Such Compensation for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time. The State Comprehensive Travel Regulations may be found at the following website:
<http://tennessee.gov/finance/act/travel.html>

PP. Add the following to RFP Attachment 6.19, *Pro Forma Software License*, as Section D.6.d:

D.6.d. The Software Provider agrees that it shall be liable for any charges imposed by the Federal Government on the Licensee as a result of any claim related to HIPAA non-compliance, to the extent that such claim is related to products provided by the Software Provider.

QQ. Delete Section D.7 of RFP Attachment 6.19, the *Pro Forma Software License*, and insert the following in its place:

D.7. Copyrights and Patents. The Software Provider agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State for infringement of any laws regarding patents or copyrights which may arise from the Software Provider's performance of this Contract. In any such action brought against the State, the Software Provider shall satisfy and indemnify the State for the amount of any final judgment for infringement. The Software Provider further agrees it shall be liable for the reasonable fees of attorneys for Licensee in the event such service is necessitated to enforce the terms of this provision. The State shall give the Software Provider written notice of any such claim or suit and full right and opportunity to conduct the Software Provider's own defense thereof.

RR. Add the following to RFP Attachment 6.19, *Pro Forma Software License*, as Section D.10:

D.10. Accessibility. The implemented software solution must be accessible to individuals with disabilities at the time the software is put into productional use. This includes addressing the Americans with Disabilities Act (ADA) Section 508 standards and Web Accessibility Initiative (WAI) Web Content Accessibility Priority 1 guidelines. If the Licensee notifies the Software Provider that a person has made a claim against the Licensee concerning accessibility of products furnished by the Software Provider under this contract, the Software Provider will work with the Licensee in an effort to remedy the claim in a timely manner. To the extent that the claim is related to products provided by the Software Provider, the Software Provider further agrees that it shall be liable for the actual costs of attorney fees to defend the Licensee and the monetary amount of any judgments rendered against the Licensee as a result of any such claim.

SS. Add the following to RFP Attachment 6.19, *Pro Forma Software License*, as Section D.11:

D.11. COBRA Compliance. The implemented software solution must comply with the Consolidated Omnibus Budget Reconciliation Act (COBRA). The Software Provider agrees that it shall be liable for any charges imposed by the Federal Government on the Licensee as a result of any claim related to COBRA compliance, to the extent that such claim is related to products provided by the Software Provider.

TT. In RFP Attachment 6.3, Section B, delete the second paragraph of subsection B.14 in its entirety and insert the following in its place:

At least one of the references for the Primary Software Vendor and at least one for the Proposer must be for an implementation of an ERP system (including integrated financial management, procurement and human resources / payroll functionality) that is in production for a U.S. state, county or city with total annual expenditures of \$12 billion or more (capital inclusive) and at least 25,000 employees. Note that the references described in the preceding sentence do not have to be for the version of the ERP software that the vendor is proposing. Additionally, the Proposer must have been the primary provider of implementation services for at least one of the references. Furthermore, at least one of the references for the Primary Software Vendor must be from a public sector environment in which the proposed version of the ERP software (including integrated financial management, procurement and human resources / payroll functionality) is currently in production (see RFP Attachment 6.3, section A, subsection A.5). For the ERP software, "public sector environment" includes a city, county or state government or a public or private higher education institution. It is preferred but not required that the other references be for implementations similar in size and scope to the proposed project with the State of Tennessee. All references must be production systems in operation, not implementations that are still in progress.

UU. Delete RFP Attachment 6.2.b in its entirety and insert in its place the version that appears in Amendment # 7, Attachment 4.

VV. Add the following to RFP Attachment 6.19, *Pro Forma Software License*, as Section D.12:

D.12. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

- a. The Contract
- b. Attachments to the Contract

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

- WW. Delete Section E.1 of RFP Attachment 6.19, *Pro Forma* Software License in its entirety and insert the following in its place:**

E.1. Required Approvals. Licensee is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations, as indicated by the signatures of said officials being affixed to the contract.

- XX. Delete the last paragraph under RFP Section 6.3, Technical Proposal & Evaluation Guide, Section B.10 and insert the following in its place:**

The three Excel schedules must be included in the Proposer's printed response for this section in addition to the narrative. Also, the Proposer must submit an electronic version of these schedules in Excel format as required in Section 3.3.4. Do not submit these schedules electronically in Acrobat (PDF) format.

- YY. Delete the paragraph within the RFP under RFP Section 6.4, Technical Proposal Supplement, in its entirety and insert the following in its place:**

Following is an Excel spreadsheet that will be submitted as a supplement to RFP Attachment 6.3, Section B.10 of the Technical Proposal. There are multiple tabbed worksheets within the spreadsheet; the Proposer must complete all tabbed worksheets. Note that, in addition to the printed version in the Technical Proposal response, this file must be submitted electronically in Excel format. (See RFP Section 3.3.4.)

- ZZ. Delete the paragraph within the RFP under RFP Section 6.6, Cost Proposal Supplement, in its entirety and insert the following in its place:**

Following is an Excel spreadsheet that will be submitted as a supplement to RFP Attachment 6.5, Cost Proposal. There are multiple tabbed worksheets within the spreadsheet; the Proposer must complete all tabbed worksheets. Note that, in addition to the printed version in the Cost Proposal response, this file must be submitted electronically in Excel format. (See RFP Section 3.4.2.) Do not include this file, in either printed or electronic form, with the Technical Proposal submission.

- AAA. Delete the paragraph within the RFP under RFP Section 6.8, ERP Functional Requirements, in its entirety and insert the following in its place:**

The ERP Functional Requirements are included as an Excel file. Note that, in addition to the printed version in the Technical Proposal response, these files must be submitted electronically in Excel format. (See RFP Section 3.3.4.)

- BBB. Delete the paragraph within the RFP under RFP Section 6.9, ERP General System Requirements, in its entirety and insert the following in its place:**

The ERP General System Requirements are included as an Excel file. Note that, in addition to the printed version in the Technical Proposal response, this file must be submitted electronically in Excel format. (See RFP Section 3.3.4.)

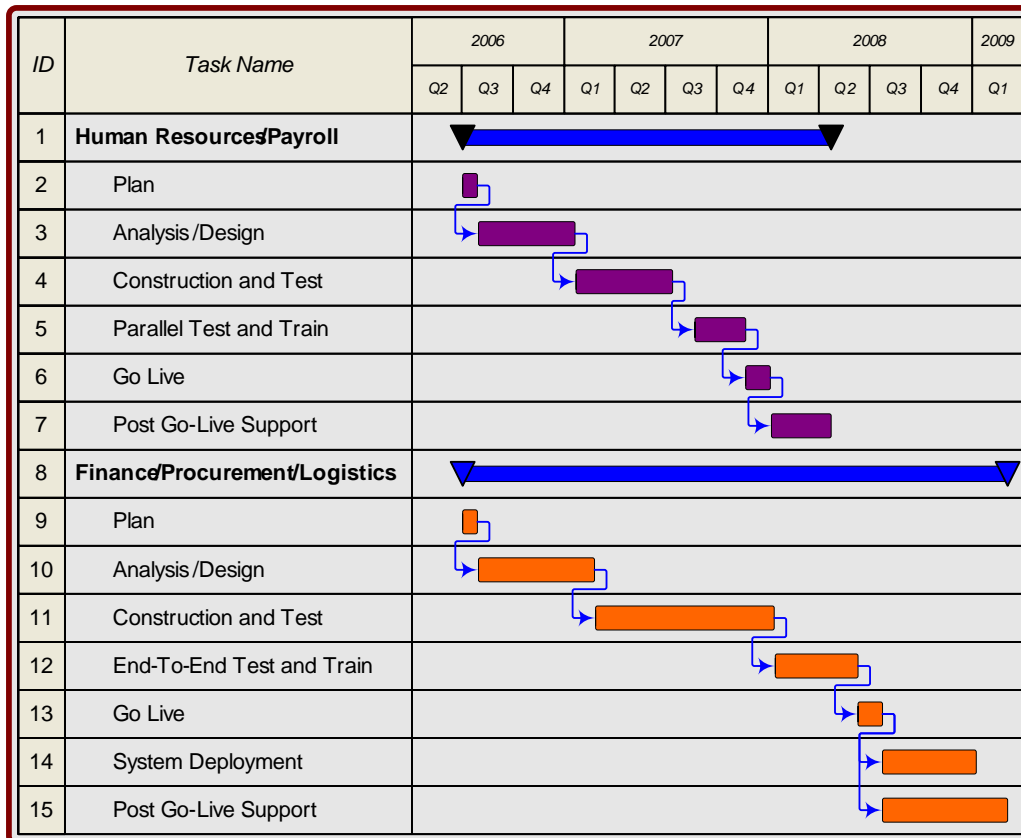
CCC. Delete the final paragraph of RFP Section 1.1.4 in its entirety and insert the following in its place

The expected timeline for the Implementation phase of the Edison Project is a start date of July 5, 2006, with Human Resources/Payroll functionality going into production with the start of the new calendar year 2008 (January 1, 2008). To accommodate normal State business operations, the Edison system will be available for production usage prior to that date so that State business commences on that date. The State would like to deploy the Financials and Procurement / Logistics functionality in multiple waves, with a balanced schedule of deploying agencies over no more than nine (9) months, favoring the core central agencies first. The first wave would deploy at the start of the new State fiscal year 2009 (July 1, 2008). The State has not scheduled agencies and deployment dates at this time nor made a more definitive list of "core central agencies", and is looking to the Proposer for a schedule that best mitigates project risk and allows later deployments to benefit from lessons learned in the earlier waves.

DDD. Delete the second paragraph of Section A.4 of RFP Attachment 6.1, *Pro Forma Integrator Contract* in its entirety and insert the following in its place:

The expected timeline for the Implementation phase of the Edison Project is a start date of July 5, 2006, with Human Resources/Payroll functionality going into production with the start of the new calendar year 2008 (January 1, 2008). To accommodate normal State business operations, the Edison system will be available for production usage prior to that date so that State business commences on that date. The State would like to deploy the Financials and Procurement / Logistics functionality in multiple waves, with a balanced schedule of deploying agencies over no more than nine (9) months, favoring the core central agencies first. The first wave will deploy at the start of the new State fiscal year 2009 (July 1, 2008). The State has not scheduled agencies and deployment dates at this time, and will work with Contractor to create a schedule that best mitigates project risk and allows later deployments to benefit from lessons learned in the earlier waves.

EEE. Delete the graphical chart in Section A.4 of RFP Attachment 6.1, *Pro Forma Integrator Contract* in its entirety and insert the following in its place:



FFF. Delete the first paragraph of Section B.1 of Contract Attachment B, ERP Scoping Information in its entirety and insert the following in its place:

The expected timeline for the Implementation phase of the Edison Project is a start date of July 5, 2006, with Human Resources/Payroll functionality going into production with the start of the new calendar year 2008 (January 1, 2008). The State would like to deploy the Financials and Procurement / Logistics functionality in multiple waves, with a balanced schedule of deploying agencies over no more than nine (9) months, favoring the core central agencies first. The State has not assigned criteria yet for which agencies constitute the core, central agencies. The first wave would deploy at the start of the new State fiscal year 2009 (July 1, 2008), and the final wave of agencies would deploy no later than March 31, 2009. A timeframe for deployment waves shorter than nine months will be considered acceptable to the State as well. The State has not scheduled agencies and deployment dates at this time, and is looking to the Contractor for a schedule that best mitigates project risk and allows later deployments to benefit from lessons learned in the earlier waves.

ATTACHMENT 1**RFP Attachment 6.20 – Best and Final Offer (BAFO) Process****6.20.1 Introduction**

In the interest of obtaining the best value for the State of Tennessee, the Edison project RFP will incorporate a Best and Final Offer (BAFO) process. The BAFO process will take place after the State scores the initial Technical Proposals. The initial process is referred to as “Round 1”; the BAFO process itself takes place in “Round 2.” These two stages and their associated procedures are described below.

Important Note: Unless otherwise specifically indicated in writing by the State, all requirements concerning Proposal development, packaging, and submission as defined throughout the RFP, and specifically in RFP Section 3, shall also apply to the BAFO process. This applies, for example, to the number of paper and CD copies, etc.

6.20.2 Round 1 – Evaluation of Technical Proposal

6.20.2.1 Interested Proposers will submit initial Technical Proposals only, in accordance with the process described in RFP Section 3. Cost Proposals will not be submitted during Round 1.

6.20.2.2 The State will score these initial Technical Proposals, as described RFP Section 5. The scores shall be based on the following components: Qualifications and Experience, Technical Approach, System Requirements, and Software Demonstration. Technical Proposal scores shall be finalized and secured prior to proceeding to Round 2.

6.20.2.3 This score is not in any sense a final score and the evaluation process shall not be deemed to be complete at this point. Therefore, neither the scoring results nor any other documentation associated with the evaluation process is available for public access at this time. Evaluators will not have access to other evaluators’ Technical Proposal scores or to any other detailed Round 1 scoring results.

6.20.2.4 All Proposers who do not fail mandatory requirements during Round 1 will qualify to participate in Round 2.

6.20.3 Round 2 – BAFO Process

6.20.3.1 Contemporaneous with the initial scoring, the State Evaluation Teams and State Subject Matter Experts (SMEs) may identify areas of the Technical Proposals that require further clarification, or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State’s requirements. The identified issues will be included in a draft BAFO Request.

6.20.3.2 The BAFO Request document will be structured as follows:

- ❖ BAFO Technical Section – This section will be further subdivided, with questions based on information gathered during initial Proposal review:
 - Questions/clarifications applicable to all Proposers
 - Questions/clarifications specific to a given Proposer
- ❖ Cost Section – This will require the initial and only submission of the Cost Proposal using the Cost Proposal forms and supplements outlined in RFP Attachments 6.5 and 6.6.

Note that each BAFO Request will be unique and Proposers will not be able to see other Proposers' BAFO Requests prior to the issuance of the Evaluation Notice (see RFP Section 2, RFP Schedule of Events).

- 6.20.3.3 Prior to distributing the BAFO Request documents to the Proposers, the State Evaluation Teams will review, modify, and approve the documents. After this process, the BAFO Request Documents will be sent to the specific Proposers to which they pertain.
- 6.20.3.4 If the State determines that the nature of the requested clarifications warrants a "Pre-BAFO Conference" the State will notify the qualifying Proposers and such a conference will be held. Attendance at the Pre-BAFO Conference is **mandatory** for at least one (1) representative from each of the vendors intending to submit a BAFO Proposal.
- 6.20.3.5 Proposer's BAFO Proposal. The Proposer's BAFO Proposal will be submitted in two separately sealed and packaged sections coinciding with the structure described in Section 6.20.3.2: (1) BAFO Technical Proposal; and (2) Cost Proposal.
- 6.20.3.6 BAFO Technical Section. In its response to the BAFO Technical Section, the Proposer will not resubmit the entire Technical Proposal. Instead, the Proposer will respond to the specific requests detailed in the BAFO request document. In addition, with the exception of RFP Attachment 6.3, Mandatory Requirement Items A.1, A.2, A.3, A.4, and A.5, the Proposer may address other sections of the Proposal that were not identified by the State, but that the Proposer believes need to be clarified or supplemented in its BAFO response. All response items must specifically reference the RFP Section to which they pertain. Important Note: The BAFO Technical Section must not contain any cost information.
- 6.20.3.7 Cost Section. The Proposer will take the information provided in the BAFO Request document into account and will submit the Cost Proposal, using the Cost Proposal evaluation and supplement forms in RFP Attachments 6.5 and 6.6. The Cost Proposal must be sealed and packaged separately from the BAFO Technical Proposal.
- 6.20.3.8 Proposers must submit their BAFO responses to the RFP Coordinator named in RFP Section 1.5.1.1 by no later than the date specified in RFP Section 2, RFP Schedule of Events.
- 6.20.3.9 The State RFP Coordinator will receive the BAFOs and, with the assistance of the SMEs, will create BAFO score sheets, which the evaluators will use to record revised technical scores for Technical Proposal sections clarified by the Proposers as a result of the BAFO Request document. If the Proposers have identified any additional Technical Proposal areas that require clarification or supplementation, but that were not identified by the State in the BAFO Request, the score sheets will also be updated to include space for evaluators to update these scores. The BAFO score sheets (RFP Attachment 6.21) will include a column for the initial score given in Round 1 and a column for the revised BAFO score.
- 6.20.3.10 On the BAFO score sheets, for any sections which have not been clarified or supplemented through the BAFO process, the State will simply carry the initial scores forward, without change, from the "Initial Score" (Round 1) score column into the "BAFO Score" column. Evaluators will not be able to overwrite or change these Round 1 scores.
- 6.20.3.11 For all sections that have been clarified or supplemented, the relevant row in the BAFO Score column will be blank, and the evaluator will enter a new score for this section. Note that this score could be higher than, lower than, or the same as the Round 1 score, depending on the evaluator's assessment of the revised information.
- 6.20.3.12 The resulting score sheet will contain scores in all rows of the BAFO scores column. These scores will then be used as described in the BAFO score sheets (RFP Attachment 6.21) to

- determine BAFO scores for the following Technical Proposal sections: Qualifications and Experience, Technical Approach, and System Requirements. These scores will be added to the Software Demonstration score from Round 1 to determine the Proposer's final BAFO score. In other words, regardless of the content of the BAFO Proposals received, the Software Demonstrations will not be re-scored. The State will record all scores on the Proposal Score Summary Matrix (RFP Attachment 6.7), average the scores, and perform the necessary calculations to determine Proposer's final BAFO Technical Score.
- 6.20.3.13 After the BAFO Technical Scores for all Proposers have been finalized, the RFP Coordinator will open the Cost Proposals and calculate the Cost Score using the formulae contained in RFP Attachment 6.6. These Cost Scores will also be entered into the Proposal Score Summary Matrix.
 - 6.20.3.14 The BAFO Technical Score will then be added to the Cost Score to derive the Final BAFO Score.
 - 6.20.3.15 The Proposal Evaluation Team will recommend for award the Proposer with the highest Final BAFO Score and proceed to final Software License negotiations with the software vendor(s) associated with that Proposer (otherwise known as the "Integrator").
 - 6.20.3.16 In the event that the State cannot successfully negotiate Software Licenses with the Integrator's software vendor(s), the State reserves the right to devolve to the next-best-evaluated Proposer, and enter into negotiations with those software vendors.
 - 6.20.3.17 The State does not intend to negotiate any Terms and Conditions with the Integrator.
 - 6.20.3.18 Once Software Licenses have been successfully negotiated, the State will proceed with the approval process for the Integrator and Software License agreements, as described in RFP Section 5.3.

ATTACHMENT 2

RFP Attachment 6.21 – Best and Final Offer (BAFO) Score Sheets

TECHNICAL PROPOSAL & EVALUATION GUIDE — SECTION B			
PROPOSER NAME:			
EVALUATOR NAME:		DATE:	
EVALUATOR SIGNATURE:			
SECTION B — QUALIFICATIONS & EXPERIENCE			
<p>The Proposer must address ALL Qualifications and Experience section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). Proposer, as Prime Vendor, shall provide all requested information for the primary software vendor.</p> <p>A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's "qualifications and experience" responses.</p>			

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	<p>B.1-A Describe the Proposer's form of business (<i>i.e.</i>, individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company).</p> <p>B.1-B Describe the primary <u>software</u> vendor's form of business (<i>i.e.</i>, individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company).</p> <p>B.1-C Detail the name, mailing address, email address, fax number and telephone number of the person the State should contact regarding the proposal. There must be one primary contact for the proposal.</p>
	<p>B.2-A Provide a statement of whether there have been any mergers, acquisitions, or sales of the Proposer's company within the last ten years, and if so, an explanation providing relevant details.</p> <p>B.2-B Provide a statement of whether there have been any mergers, acquisitions, or sales of the primary <u>software</u> vendor's company within the last ten years, and if so, an explanation providing relevant details.</p>
	<p>B.3 Provide a statement of whether the Proposer or any of the Proposer's employees, agents, independent contractors, or subcontractors proposed to work on this engagement have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony, and if so, an explanation providing relevant details.</p>
	<p>B.4-A Provide a statement of whether there is any material pending litigation against the Proposer; and if such litigation exists, an attached opinion of counsel as to whether the pending litigation will impair the Proposer's performance in a contract under this RFP.</p> <p>B.4-B Provide a statement of whether there is any material pending litigation against the primary <u>software</u> vendor; and if such litigation exists, an attached opinion of counsel as to whether the pending litigation will impair the prime software vendor's performance in a contract under this RFP.</p>
	<p>B.5-A Provide a statement of whether, in the last ten years, the Proposer has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the</p>

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	<p>benefit of creditors, and if so, an explanation providing relevant details.</p> <p>B.5-B Provide a statement of whether, in the last ten years, the primary <u>software</u> vendor has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors, and if so, an explanation providing relevant details.</p>
	<p>B.6-A Provide a statement of whether there are any pending Securities Exchange Commission investigations involving the Proposer, and if such are pending or in progress, an explanation providing relevant details and an attached opinion of counsel as to whether the pending investigation(s) will impair the Proposer's performance in a contract under this RFP.</p> <p>B.6-B Provide a statement of whether there are any pending Securities Exchange Commission investigations involving the primary <u>software</u> vendor, and if such are pending or in progress, an explanation providing relevant details and an attached opinion of counsel as to whether the pending investigation(s) will impair the vendor's performance in a contract under this RFP.</p>
	<p>B.7-A Provide a brief, descriptive statement (no more than five pages) indicating the Proposer's credentials to deliver the services sought under this RFP. Describe experience with similar projects for statewide and large local government enterprise-wide projects.</p> <p>B.7-B Provide a brief, descriptive statement (no more than five pages) indicating the primary <u>software</u> vendor's credentials to provide the products sought under this RFP. Describe experience with similar projects for statewide and large local government enterprise-wide projects.</p>
	<p>B.8 Briefly describe (no more than one page) how long the Proposer has been performing the services required by this RFP and include the number of years in business.</p>
	<p>B.9 Briefly describe (no more than one page) the Proposer's organization's number of employees, client base, and location of offices.</p>
	<p>B.10 Provide a narrative description of the recommended project organization. Refer to the model Project Organization Chart shown in Contract Attachment B, ERP Scoping Information, Section B.5.3, and present an updated proposed organization chart for the implementation team, showing the Proposer's recommended project organization and including all of the recommended Proposer and State roles. Provide a table showing all roles (Proposer, State or subcontractor) proposed for the engagement with a brief description of the responsibilities and the recommended staffing level and expected source (Proposer, State) of personnel for each listed role.</p> <p>In addition to the narrative for this section, Proposer must complete the three schedules supplied in Excel format in RFP Attachment 6.4, the Technical Proposal Supplement. Instructions for completing Schedules 1 and 2, the Staffing Plan spreadsheets, are provided on the first sheet, labeled "Instructions Schedules 1 & 2", in the file "RFP-317 03-134 Att 6.4 Technical Proposal Supplement.xls". The staffing plan includes two schedules: (Schedule 1) a schedule of staff project hours by role, by month for the HR/Payroll implementation, and (Schedule 2) a schedule of staff project hours by role, by month for the Financials/ Procurement/ Logistics implementation. Additionally, Proposer must complete Schedule 3, "Conversions and Interfaces" in this same Excel workbook. Instructions for completing this schedule are on a worksheet titled, "Instructions Sched 3."</p>

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	<p>Note that these schedules are requesting estimates in number of hours only. <u>Do not include any cost or pricing information on these schedules.</u> There are similar schedules as part of the Cost Proposal that price the information shown here.</p> <p>The three Excel schedules must be included in the Proposer's printed response for this section in addition to the narrative. Also, the Proposer must submit an electronic version of these schedules in Excel format as required in Section 3.2.4. Do not submit these schedules electronically in Acrobat (PDF) format.</p>
	<p>B.11 Provide a roster and resumes of <u>key</u> personnel who shall be assigned by the Proposer to perform duties or services under the contract, including any key staff from subcontractors. The following eleven Proposer roles will be considered key personnel for this project:</p> <ul style="list-style-type: none"> ◆ Project Manager; ◆ Deputy Project Manager; ◆ Payroll/HR Configuration Manager; ◆ Financial/Procurement Configuration Manager; ◆ Technical Manager; ◆ Two Configuration Leads under the Payroll/HR Configuration Manager; ◆ Two Configuration Leads under the Financial Procurement Configuration Manager; ◆ One Technical Lead under the Technical Manager; and, ◆ One Training/Change Management Manager in the Enterprise Readiness area. <p>The State expects that all of these key personnel will be dedicated full-time to the project. Note that the eleven roles listed above may be more than ten people, depending on how the Proposer chooses to staff the roles. If, for example, the Proposer recommends two Proposer staff in the Payroll/HR Lead position, one for Payroll and one for HR, then both of those people would be considered key personnel under the contract (and there would be twelve key staff under the contract provisions). Proposer may not propose any one person to fill more than one key position listed above.</p> <p>Provide in a table format the following information for these key personnel, and for any other Proposer personnel that the Proposer wishes to present as part of its response:</p> <ul style="list-style-type: none"> ◆ Name; ◆ Title; ◆ Role (specific work to be performed); ◆ Brief description (75 words or less) of qualifications and relevant experience that makes the proposed individual suitable for his/her designated role on this project; ◆ Estimated number of hours by State fiscal year under the contract; and,, ◆ The individual's employment status (employee, contractor, etc.) and tenure with proposing firm. <p>In addition, provide detailed professional resumes for all staff members presented above.</p>

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	<p>All Proposer personnel assigned to this project will be subject to the States' approval, including those submitted as part of the proposal. Upon their approval by the State, the State and the Proposer will agree to designate as key personnel the specific members of the project team who in the roles listed above. Specific conditions and requirements will apply to key personnel as stated in Section A.14.b of RFP Attachment 6.1, <i>Pro Forma</i> Integrator Contract.</p>
	<p>B.12 Provide a statement of whether the Proposer intends to use subcontractors (the State considers the Primary Software Vendor a subcontractor, and therefore the Primary Software Vendor will be included here), and provide the following information in a table format:</p> <ul style="list-style-type: none"> ◆ A concise list of all vendors participating in the proposal response, with designation of which vendor is the Prime Vendor (i.e., the Proposer) and which is the Primary Software Vendor; ◆ Brief description of the role that the vendor has in the proposed solution; ◆ Estimated percentage value of the total contract that this vendor represents (<u>do not provide any dollar amounts</u>, only percentage estimates); and ◆ Contact information for each vendor, including name of principal contact(s) for that vendor, address, phone number, fax number and email address. <p>Also, this section must include a letter of authorization from each subcontractor on the subcontractors' business letterhead and addressed to the Prime Vendor, attesting to the fact that the subcontractor has read the proposal and will provide the products or services represented therein and authorizing the Prime Vendor to include that subcontractor in the proposal response. The letter must be signed and dated by an official authorized to make binding agreements for the subcontractor.</p> <p>By its inclusion in the response, the Prime Vendor agrees to accept full responsibility for the performance of any subcontractor under this contract, including its products, services and deliverables.</p>
	<p>B.13 Provide documentation of Proposer commitment to diversity as represented by its business strategy, business relationships, and workforce — this documentation should detail:</p> <ul style="list-style-type: none"> ▪ a description of the Proposer's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, persons with a disability and small business enterprises ▪ a listing of the Proposer's current contracts with business enterprises owned by minorities, women, persons with a disability and small business enterprises, including the following information <ul style="list-style-type: none"> ○ contract description and total value ○ contractor name and ownership characteristics (i.e., ethnicity, sex, disability) ○ contractor contact and telephone number ▪ an estimate of the level of participation by business enterprises owned by minorities, women, persons with a disability and small business enterprises in a contract awarded to the Proposer pursuant to this RFP, including the following information: <ul style="list-style-type: none"> ○ participation estimate (expressed as a percent of the total contract value that will be dedicated to business with subcontractors and supply

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	<p>contractors having such ownership characteristics)</p> <ul style="list-style-type: none"> ○ descriptions of anticipated contracts ○ names and ownership characteristics (<i>i.e.</i>, ethnicity, sex, disability) of anticipated subcontractors and supply contractors anticipated <ul style="list-style-type: none"> ▪ the percent of the Proposer's total current employees by ethnicity, sex, and disability <p><i>Proposers that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and sub-contractors. Proposal evaluations will recognize the positive experience and qualifications of a Proposer that does business with enterprises owned by minorities, women, persons with a disability and small business enterprises and that offers a diverse workforce to meet service needs.</i></p>
	<p>B.14 Provide three customer references for the Proposer, and three customer references for the Primary Software Vendor.</p> <p>At least one of the references for the Primary Software Vendor and at least one for the Proposer must be for an implementation of an ERP system (including integrated financial management, procurement and human resources / payroll functionality) that is in production for a U.S. state, county or city with total annual expenditures of \$12 billion or more (capital inclusive) and at least 25,000 employees. Note that the references described in the preceding sentence do not have to be for the version of the ERP software that the vendor is proposing. Additionally, the Proposer must have been the primary provider of implementation services for at least one of the references. Furthermore, at least one of the references for the Primary Software Vendor must be from a public sector environment in which the proposed version of the ERP software (including integrated financial management, procurement and human resources / payroll functionality) is currently in production (see RFP Attachment 6.3, section A, subsection A.5). For the ERP software, "public sector environment" includes a city, county or state government or a public or private higher education institution. It is preferred but not required that the other references be for implementations similar in size and scope to the proposed project with the State of Tennessee. All references must be production systems in operation, not implementations that are still in progress.</p> <p>To verify the expenditures for U.S. states, the State will use as a reference the 2003 State Expenditure Report from the National Association of State Budget Officers (NASBO). Proposers may view the report at the following link:</p> <p>http://www.nasbo.org/Publications/PDFs/2003ExpendReport.pdf</p> <p>Refer to page 15 of that publication, "Table 1 – Total State Expenditures – Capital Inclusive." Use the column marked "Total" under "Actual Fiscal 2003."</p> <p>To verify the number of employees for U.S. states, the State will use as a reference the 2004 Fiscal Survey of States from the same organization. Proposers may view the report at the following link:</p> <p>http://www.nasbo.org/Publications/fiscalsurvey/fsfall2004.pdf</p> <p>Refer to page 38 of that publication, "Table A-6 - Number of Filled Full-Time Equivalent Positions at the End of Fiscal 2003 to Fiscal 2005, in All Funds." Use</p>

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items
	<p>the column titled, "Fiscal 2003."</p> <p>The references shall be provided to the State in the form of questionnaires that have been fully completed by the individual providing the reference. The State has included the reference check questionnaires to be used, as RFP Attachment 6.16 for the software references and RFP Attachment 6.17 for the services references. THE PROPOSER MUST USE THESE FORMS, OR EXACT DUPLICATES THEREOF.</p> <p>The Proposer will be <u>solely</u> responsible for obtaining the fully completed reference check questionnaires, and for including them within the original copy of the Proposer's sealed Technical Proposal. To obtain and submit the completed reference check questionnaire, the Proposer shall follow the process detailed below exactly:</p> <ol style="list-style-type: none"> 1. Proposer makes an exact duplicate (paper or Word electronic document) of the State's form, as it appears in RFP Attachment 6.16 or 6.17. 2. Proposer sends the copy of the form to the reference it has chosen, along with a new, standard #10 envelope that is capable of being sealed; 3. Proposer directs the person providing the reference check feedback to complete the form in its entirety, sign and date it, and seal it within the provided envelope. The person may prepare a manual document or complete the exact duplicate Word document and print the completed copy for submission. <u>After sealing the envelope, the person providing the reference must sign his or her name in ink across the sealed portion of the envelope and return it directly to the Proposer.</u> The Proposer will give the reference check provider a deadline, such that the Proposer will be able to collect all references in time to include them within its sealed Technical Proposal. 4. When the Proposer receives the sealed envelopes from the reference check providers, the Proposer <u>will not</u> open them. Instead, the Proposer will enclose all of unopened reference check envelopes, in an easily identifiable larger envelope, and will include this envelope as a part of the original copy of its Technical Proposal. Therefore, when the State reviews the marked original copy of the Technical Proposal, the State will find a clearly labeled envelope enclosed or attached, which contains all of the sealed reference check envelopes. 5. The State will base its reference check evaluation on the contents of these envelopes. <u>THE STATE WILL NOT ACCEPT LATE REFERENCES OR REFERENCES SUBMITTED THROUGH ANY OTHER CHANNEL OF SUBMISSION OR MEDIUM, WHETHER WRITTEN, ELECTRONIC, VERBAL, OR OTHERWISE.</u> 6. The State reserves the right to clarify information presented in the reference check questionnaires, and may consider clarification responses in the evaluation of reference checks. However, the State is under no obligation to clarify any reference check information. <p>Each completed questionnaire must include:</p> <ul style="list-style-type: none"> ▪ the Proposer's name;

Proposal Page # (to be completed by Proposer)	Qualifications & Experience Items																																								
	<ul style="list-style-type: none"> the Reference's organization name; the name of the person responding; the signature of the person responding; the title of the person responding; the telephone number and email contact of the person responding; the date the reference form was completed; and responses to numbered items in RFP Attachment 6.16 and 6.17. <p><i>Each evaluator will generally consider the results of reference inquiries by the State regarding <u>all</u> references provided.</i></p>																																								
	<p>B.15-A The Proposer shall answer the following question <u>only</u> as it pertains to those projects on which the <u>Proposer</u> acted as integrator and used the software solution being proposed in response to this RFP. Indicate the number of projects on which the <u>Proposer</u> integrated the product listed below with the proposed software solution. Please duplicate the following table and check the appropriate box:</p> <table border="1" data-bbox="521 835 1425 1010"> <thead> <tr> <th>Product Name</th> <th>Never</th> <th>1-2</th> <th>3-5</th> <th>6+</th> </tr> </thead> <tbody> <tr> <td>GroupWise email</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>FileNet Document Management</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Environment Systems Research Institute (ESRI) ArcIMS, ArcInfo, and ArcView GIS</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table> <p>B.15-B With regard to the <u>Primary Software Vendor</u>, answer the following question as it pertains <u>only</u> to those projects on which the <u>Primary Software Vendor's</u> proposed solution was used with the products listed below. Indicate the number of such projects where the proposed solution from the <u>Primary Software Vendor</u> has been integrated with the products listed below. Please duplicate the following table and check the appropriate box:</p> <table border="1" data-bbox="521 1289 1425 1465"> <thead> <tr> <th>Product Name</th> <th>Never</th> <th>1-2</th> <th>3-5</th> <th>6+</th> </tr> </thead> <tbody> <tr> <td>GroupWise email</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>FileNet Document Management</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Environment Systems Research Institute (ESRI) ArcIMS, ArcInfo, and ArcView GIS</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>	Product Name	Never	1-2	3-5	6+	GroupWise email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FileNet Document Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Environment Systems Research Institute (ESRI) ArcIMS, ArcInfo, and ArcView GIS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Product Name	Never	1-2	3-5	6+	GroupWise email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FileNet Document Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Environment Systems Research Institute (ESRI) ArcIMS, ArcInfo, and ArcView GIS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Product Name	Never	1-2	3-5	6+																																					
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Environment Systems Research Institute (ESRI) ArcIMS, ArcInfo, and ArcView GIS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																																					
(Maximum Section B Score = 100)																																									

INITIAL SCORE (for <u>all</u> Section B items above, B.1 through B.15):	
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BAFO SCORE (for <u>all</u> Section B items above, B.1 through B.15):	
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TECHNICAL PROPOSAL & EVALUATION GUIDE — SECTION C			
PROPOSER NAME:			
EVALUATOR NAME:		DATE:	
EVALUATOR SIGNATURE:			
SECTION C.a — TECHNICAL APPROACH, PART A			
<p>The Proposer must address ALL Technical Approach section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). Proposer, as Prime Vendor, shall provide all requested information for the primary software vendor. A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:</p> <p style="text-align: center;"> <i>0 = little value</i> <i>1 = poor</i> <i>2 = fair</i> <i>3 = satisfactory</i> <i>4 = good</i> <i>5 = excellent</i> </p> <p>The RFP Coordinator will multiply each item score by the assigned weight with the product being the item's raw weighted score for purposes of calculating the section score as detailed at the end of this table.</p>			

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.a.1 Provide an Executive Summary of the Proposer’s offer. The executive summary must be no more than ten (10) pages, on single-sided pages in type no smaller than 10 point, and must provide a concise summarization of the products and services being proposed to meet the State’s requirements, the planned approach to providing the services, and documentation as to why the software and services vendors assembled for this proposal are best qualified to perform this engagement. (<i>Reminder: do not provide any cost information in this section.</i>)	20				
	C.a.2 Respond to RFP Attachment 6.10, Software Specifications. For each section in RFP Attachment 6.10 listed below, Proposer must show the text of the section from RFP Attachment 6.10, followed by the Proposer’s response. Only the listed sections require a response; other sections in RFP					

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	Attachment 6.10 are informational. The total response to RFP Attachment 6.10 must be no more than one hundred (100) pages long.					
	C.a.2.1 RFP Attachment 6.10, Section 6.10.2.2.1, Overview of Software Solution	5				
	C.a.2.2 RFP Attachment 6.10, Section 6.10.2.2.2, Human Resources/Payroll Functionality	5				
	C.a.2.3 RFP Attachment 6.10, Section 6.10.2.2.3, Financial Management Functionality	5				
	C.a.2.4 RFP Attachment 6.10, Section 6.10.2.2.4, Procurement/Logistics Functionality	5				
	C.a.2.5 RFP Attachment 6.10, Section 6.10.2.2.5, Integration Between Applications and Modules	10				
	C.a.2.6 RFP Attachment 6.10, Section 6.10.2.2.6, Module Descriptions	20				
	C.a.2.7 RFP Attachment 6.10, Section 6.10.2.3.1, System Interfaces	5				
	C.a.2.8 RFP Attachment 6.10, Section 6.10.2.3.2, Import/ Export	5				
	C.a.2.9 RFP Attachment 6.10, Section 6.10.2.3.3, System Integrity	5				
	C.a.2.10 RFP Attachment 6.10, Section 6.10.2.3.4.1, Best Business Practices/ Process Reengineering Required	10				
	C.a.2.11 RFP Attachment 6.10, Section 6.10.2.3.4.2, Workflow Capabilities	10				

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.a.2.12 RFP Attachment 6.10, Section 6.10.2.3.4.3, Drill Down	10				
	C.a.2.13 RFP Attachment 6.10, Section 6.10.2.3.4.4, Audit Trail Capabilities	10				
	C.a.2.14 RFP Attachment 6.10, Section 6.10.2.3.4.5, Chart of Accounts Flexibility	15				
	C.a.2.15 RFP Attachment 6.10, Section 6.10.2.3.4.6, Online Help	5				
	C.a.2.16 RFP Attachment 6.10, Section 6.10.2.3.4.7, Security	10				
	C.a.2.17 RFP Attachment 6.10, Section 6.10.2.3.4.8, Report Writers	10				
	C.a.2.18 RFP Attachment 6.10, Section 6.10.2.3.4.9, Analytical Reporting Environment	5				
	C.a.2.19 RFP Attachment 6.10, Section 6.10.3.1, Upgrade Process	5				
	C.a.2.20 RFP Attachment 6.10, Section 6.10.3.2, Fixes and Patches	5				
	C.a.2.21 RFP Attachment 6.10, Section 6.10.3.3, Non-State Standard Applications	5				
	C.a.2.22 RFP Attachment 6.10, Section 6.10.3.4 Software Distribution	5				
	C.a.2.23 RFP Attachment 6.10, Section 6.10.4, Software Maintenance and Support	10				
	C.a.2.24 RFP Attachment 6.10, Section 6.10.5, Future Direction	35				

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.a.2.25 RFP Attachment 6.10, Section 6.10.6.1, American with Disabilities (ADA) Compliance	20				
	C.a.2.26 RFP Attachment 6.10, Section 6.10.6.2, List of Key Reports	15				
	C.a.3 Respond to RFP Attachment 6.12, Implementation Services Specifications. For each section in RFP Attachment 6.12 listed below, Proposer must show the text of the section from RFP Attachment 6.12, followed by the Proposer's response. Only the listed sections require a response; other sections in RFP Attachment 6.12 are informational. The response to RFP Attachment 6.12 must be no more than one hundred (100) pages long.					
	C.a.3.1 RFP Attachment 6.12, Section 6.12.1.1, Project Manager	10				
	C.a.3.2 RFP Attachment 6.12, Section 6.12.1.2, Project Management Methodology	30				
	C.a.3.3 RFP Attachment 6.12, Section 6.12.1.3, Project Work Plan	25				
	C.a.3.4 RFP Attachment 6.12, Section 6.12.1.4, Project Controls, Standards, and Procedures	10				
	C.a.3.5 RFP Attachment 6.12, Section 6.12.1.5, Risk Management Plan and Procedures	10				
	C.a.3.6 RFP Attachment 6.12, Section 6.12.1.6, Service Transition	5				
	C.a.3.7 RFP Attachment 6.12, Section 6.12.2, Software Installation, Testing and Tuning	10				

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.a.3.8 RFP Attachment 6.12, Section 6.12.3, Business Process Design and Software Configuration	10				
	C.a.3.9 RFP Attachment 6.12, Section 6.12.4.1, Reports Analysis and Development	10				
	C.a.3.10 RFP Attachment 6.12, Section 6.12.4.2, Enhancements and Modifications	10				
	C.a.3.11 RFP Attachment 6.12, Section 6.12.4.3, Interface Development	10				
	C.a.3.12 RFP Attachment 6.12, Section 6.12.4.4, Data Conversion	10				
	C.a.3.13 RFP Attachment 6.12, Section 6.12.4.5, Workflow Configuration	10				
	C.a.3.14 RFP Attachment 6.12, Section 6.12.4.6, Security Configuration	10				
	C.a.3.15 RFP Attachment 6.12, Section 6.12.5, Training and Documentation	10				
	C.a.3.16 RFP Attachment 6.12, Section 6.12.6, Cultural Change Management	10				
	C.a.3.17 RFP Attachment 6.12, Section 6.12.7, Deployment Support	10				
	C.a.3.18 RFP Attachment 6.12, Section 6.12.8, Post Implementation Support	10				
	C.a.3.19 RFP Attachment 6.12, Section 6.12.9.1, Lessons Learned	20				
	C.a.3.20 RFP Attachment 6.12, Section 6.12.9.2, Transportation	10				

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.a.3.21 RFP Attachment 6.12, Section 6.12.9.3, Insurance Administration	10				

Total INITIAL Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>			
<div> Total Initial Raw Weighted Score <hr/> Maximum Possible Raw Weighted Score <i>(i.e., the sum of item weights above)</i> </div>	<div> X 100 <i>(maximum section score)</i> </div>	<div> = INITIAL PART A SCORE: </div>	

Total BAFO Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>			
<div> Total BAFO Raw Weighted Score <hr/> Maximum Possible Raw Weighted Score <i>(i.e., the sum of item weights above)</i> </div>	<div> X 100 <i>(maximum section score)</i> </div>	<div> = BAFO PART A SCORE: </div>	

TECHNICAL PROPOSAL & EVALUATION GUIDE — SECTION C			
PROPOSER NAME:			
EVALUATOR NAME:		DATE:	
EVALUATOR SIGNATURE:			
SECTION C.b — TECHNICAL APPROACH, PART B			
<p>The Proposer must address ALL Technical Approach section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). Proposer, as Prime Vendor, shall provide all requested information for the primary software vendor. A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:</p> <p style="text-align: center;"> <i>0 = little value</i> <i>1 = poor</i> <i>2 = fair</i> <i>3 = satisfactory</i> <i>4 = good</i> <i>5 = excellent</i> </p> <p>The RFP Coordinator will multiply each item score by the assigned weight with the product being the item's raw weighted score for purposes of calculating the section score as detailed at the end of this table.</p>			

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.b.1 Respond to RFP Attachment 6.11, State Technical and Architectural Requirements. For each of the following listed sections/sub-sections in RFP Attachment 6.11, Proposer must show the text of the section from RFP Attachment 6.11, followed by the Proposer's response as defined in the section or the Evaluation Manual.					
	C.b.1.1 RFP Attachment 6.11, Section 6.11.1, Architecture: The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				
	C.b.1.2 RFP Attachment 6.11, Section 6.11.2, Security Standards and Policies: The Proposal must contain the response indicated in the section.	10				

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.b.1.3 RFP Attachment 6.11, Section 6.11.2.1.1, Data confidentiality: The Proposal must contain the response indicated in the section.	5				
	C.b.1.4 RFP Attachment 6.11, Section 6.11.2.1.2, Data integrity: The Proposal must contain the response indicated in the section.	5				
	C.b.1.5 RFP Attachment 6.11, Section 6.11.2.1.3, Data reliability: The Proposal must contain the response indicated in the section.	5				
	C.b.1.6 RFP Attachment 6.11, Section 6.11.2.1.4, Data availability: The Proposal must contain the response indicated in the section.	5				
	C.b.1.7 RFP Attachment 6.11, Section 6.11.2.1.5, Physical and environmental control: The Proposal must contain the response indicated in the section.	5				
	C.b.1.8 RFP Attachment 6.11, Section 6.11.2.1.6, Application audit capabilities: The Proposal must contain the response indicated in the section.	5				
	C.b.1.9 RFP Attachment 6.11, Section 6.11.2.1.7, Change management and configuration management: The Proposal must contain the response indicated in the section.	5				
	C.b.1.10 RFP Attachment 6.11, Section 6.11.2.2, Acceptable Use Policy and Acceptable Use Agreement: The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.b.1.11 RFP Attachment 6.11, Section 6.11.4.1, Virus Protection: The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				
	C.b.1.12 RFP Attachment 6.11, Section 6.11.4.2, Electronic Mail (Email): The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				
	C.b.1.13 RFP Attachment 6.11, Section 6.11.4.2.1, Email system interoperability: The Proposal must contain the response indicated in the section.	10				
	C.b.1.14 RFP Attachment 6.11, Section 6.11.4.3, Document Management/Document Imaging/Workflow: The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				
	C.b.1.15 RFP Attachment 6.11, Section 6.11.4.3.1, Document Management/Document Imaging/Workflow interoperability: The Proposal must contain the response indicated in the section.	10				
	C.b.1.16 RFP Attachment 6.11, Section 6.11.4.4, Geographic Information System (GIS): The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				
	C.b.1.17 RFP Attachment 6.11, Section 6.11.4.4.1, GIS interoperability: The Proposal must contain the response indicated in the section.	10				
	C.b.1.18 RFP Attachment 6.11, Section 6.11.4.5, State Service Portal: The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.b.1.19 RFP Attachment 6.11, Section 6.11.5 Performance Standards and its sub-sections: The Proposal must confirm that the vendor has read, understands, and will comply with the sub-sections.	5				
	C.b.1.20 RFP Attachment 6.11, Section 6.11.5.2.1, Network assumptions: The Proposal must contain the response indicated in the section.	5				
	C.b.1.21 RFP Attachment 6.11, Section 6.11.5.2.2, Citrix requirements: The Proposal must contain the response indicated in the section.	5				
	C.b.1.22 RFP Attachment 6.11, Section 6.11.5.2.3, Minimum server requirements: The Proposal must contain the response indicated in the section.	5				
	C.b.1.23 RFP Attachment 6.11, Section 6.11.5.2.4, Minimum desktop configuration: The Proposal must contain the response indicated in the section.	5				
	C.b.1.24 RFP Attachment 6.11, Section 6.11.5.2.5, Network enhancements: The Proposal must contain the response indicated in the section.	5				
	C.b.1.25 RFP Attachment 6.11, Section 6.11.6, Exception Requests to State Standards: The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				
	C.b.1.26 RFP Attachment 6.11, Section 6.11.6.1.1, Exception Request Approval: The Proposal must contain the response indicated in the section.	10				

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY				
		Item Weight	Initial		BAFO	
			Score	Weighted Score	Score	Weighted Score
	C.b.1.27 RFP Attachment 6.11, Section 6.11.7.1, Software Product Categories: The Proposal must confirm that the vendor has read, understands, and will comply with the section and its sub-sections.	3				
	C.b.1.28 RFP Attachment 6.11, Section 6.11.7.2 and its sub-sections, Software Delivery Strategy Response: The Proposal must describe its strategy in regards to software components and indicate the software category or categories used in the solution as requested in the section. The Proposal must also include the information requested in the sub-sections for each software category or categories utilized in the solution.	25				
	C.b.1.29 RFP Attachment 6.11, Section 6.11.8.1, Application Diagrams: The Proposal must contain the response indicated in the section.	15				
	C.b.1.30 RFP Attachment 6.11, Section 6.11.8.2, Network Diagrams: The Proposal must contain the response indicated in the section.	15				
	C.b.1.31 RFP Attachment 6.11, Section 6.11.8.3, Security Diagrams: The Proposal must contain the response indicated in the section.	15				
	C.b.1.32 RFP Attachment 6.11, Section 6.11.9, Proposed Software/Hardware/Communications Table: The Proposal must confirm that the vendor has read, understands, and will comply with the section.	3				
	C.b.1.33 RFP Attachment 6.11, Section 6.11.9.2, Proposed Software/ Hardware/ Communications Table: The Proposal must contain the response indicated in the section.	25				

Total INITIAL Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>			
Total Initial Raw Weighted Score	X 50 <i>(maximum section score)</i>	= INITIAL PART B SCORE:	
Maximum Possible Raw Weighted Score <i>(i.e., the sum of item weights above)</i>			

Total BAFO Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>			
Total BAFO Raw Weighted Score	X 50 <i>(maximum section score)</i>	= BAFO PART B SCORE:	
Maximum Possible Raw Weighted Score <i>(i.e., the sum of item weights above)</i>			

TECHNICAL PROPOSAL & EVALUATION GUIDE — SECTION D

PROPOSER NAME:			
EVALUATOR NAME:		DATE:	
EVALUATOR SIGNATURE:			

SECTION D — SYSTEM REQUIREMENTS

The Proposer must address ALL Technical Approach section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). Proposer, as Prime Vendor, shall provide all requested information for the primary software vendor. A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. The Evaluators will score each section of the System Requirements, assigning it a score between 0 (zero) and the Maximum Score shown below.

Proposer must provide its responses to this section in the Excel files provided, and must provide both an electronic submission of the file in Excel format, and a printed copy of the same Excel file in its proposal. (Do not submit these files in PDF format.) The permissible responses for each requirement and other required information for submission are shown on the first worksheet of the Excel workbook, "Instructions."

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY		
		Maximum Score	Evaluator's Initial Score	Evaluator's BAFO Score
	D.1 Respond to the <i>Payroll Administration section</i> of RFP Attachment 6.8, ERP Functional Requirements. For this section (and all following items in RFP Attachment 6.3, Section D), Proposer must provide its response in the Excel file provided, and must provide both an electronic submission of the file in Excel format, and a printed copy of the same Excel file in its proposal. (Do not submit this file in PDF format.) The permissible responses for each requirement and other required information for submission are shown on the first worksheet of the Excel workbook, "Instructions."	30		
	D.2 Respond to the <i>Applicant Services section</i> of RFP Attachment 6.8, ERP Functional Requirements.	12		
	D.3 Respond to the <i>Benefits Administration section</i> of RFP Attachment 6.8, ERP Functional Requirements.	9		
	D.4 Respond to the <i>Classification and Compensation section</i> of RFP Attachment 6.8, ERP Functional Requirements.	8		

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY		
		Maximum Score	Evaluator's Initial Score	Evaluator's BAFO Score
	D.5 Respond to the <i>Insurance Administration section</i> of RFP Attachment 6.8, ERP Functional Requirements.	8		
	D.6 Respond to the <i>Personnel Administration section</i> of RFP Attachment 6.8, ERP Functional Requirements.	15		
	D.7 Respond to the <i>Timekeeping / Leave Accounting section</i> of RFP Attachment 6.8, ERP Functional Requirements.	15		
	D.8 Respond to the <i>Training and Employee Development section</i> of RFP Attachment 6.8, ERP Functional Requirements.	6		
	D.9 Respond to the <i>Budget Administration section</i> of RFP Attachment 6.8, ERP Functional Requirements.	22		
	D.10 Respond to the <i>Accounts Payable section</i> of RFP Attachment 6.8, ERP Functional Requirements.	12		
	D.11 Respond to the <i>Accounts Receivable section</i> of RFP Attachment 6.8, ERP Functional Requirements.	12		
	D.12 Respond to the <i>Budgetary Control section</i> of RFP Attachment 6.8, ERP Functional Requirements.	5		
	D.13 Respond to the <i>Cash Management/Bank Reconciliation section</i> of RFP Attachment 6.8, ERP Functional Requirements.	6		
	D.14 Respond to the <i>Cost Allocation section</i> of RFP Attachment 6.8, ERP Functional Requirements.	6		
	D.15 Respond to the <i>General Ledger section</i> of RFP Attachment 6.8, ERP Functional Requirements.	10		
	D.16 Respond to the <i>Grant Accounting section</i> of RFP Attachment 6.8, ERP Functional Requirements.	10		
	D.17 Respond to the <i>Project Management section</i> of RFP Attachment 6.8, ERP Functional Requirements.	10		

Proposal Page # (to be completed by Proposer)	Technical Approach Items	State Use ONLY		
		Maximum Score	Evaluator's Initial Score	Evaluator's BAFO Score
	D.18 Respond to the <i>Travel section</i> of RFP Attachment 6.8, ERP Functional Requirements.	2		
	D.19 Respond to the <i>Purchasing section</i> of RFP Attachment 6.8, ERP Functional Requirements.	30		
	D.20 Respond to the <i>Asset Management section</i> of RFP Attachment 6.8, ERP Functional Requirements.	5		
	D.21 Respond to the <i>Fleet Management section</i> of RFP Attachment 6.8, ERP Functional Requirements.	4		
	D.22 Respond to the <i>Inventory Management section</i> of RFP Attachment 6.8, ERP Functional Requirements.	4		
	D.23 Respond to the <i>Plant Maintenance section</i> of RFP Attachment 6.8, ERP Functional Requirements.	4		
	D.24 Respond to RFP Attachment 6.9, ERP General System Requirements.	5		

INITIAL MAXIMUM POINTS POSSIBLE = 250		
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BAFO MAXIMUM POINTS POSSIBLE = 250		
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ATTACHMENT 3

Contract Language Restrictions and Non-Negotiable Contractual Language

The State of Tennessee is committed to a fair and flexible procurement process that will allow potential proposers the opportunity to have input into the terms and conditions of the contract. Our goal is to arrive at a business arrangement that is in the best interests of the State and its contractors.

However, the State is bound by its Constitution and statutes to certain terms and conditions which would not necessarily apply to private business. Such restrictions upon the state include but are not limited to the items set forth below to inform in advance that associated issues are among those that may arise in contract negotiations.

1. Limitation of Liability This includes language relating to hold harmless, indemnification, and disclaimer of warranty clauses. We recognize that proposers have an interest in limiting liability that may arise under the contract. Historically, the State of Tennessee was not allowed to accept any limitations of liability or warranty since this was considered surrendering the rights of the citizens of the State. The Tennessee General Assembly granted some relief from this doctrine in 2000 with the passage of Tennessee Code Annotated section 12-4-119, which allows the State to accept certain limitations of liability.

However, this statute does not allow the State to limit the liability of a contractor below twice the value of the contract, or to limit liability for intentional torts, criminal acts, or fraudulent conduct. Any limitation or disclaimer that the State agrees to, including a limitation of liability for consequential damages, must fit within this statutory framework.

2. Confidentiality. We recognize that proposers consider it important to restrict distribution of proprietary information. The State of Tennessee, like most government entities, is subject to an open records statute. The Tennessee statute, T.C.A. 10-7-504, has been interpreted by the courts to require that all State records be open unless there is an express exemption in a statute, and the State cannot avoid this obligation by contract.

The General Assembly has granted an exemption that provides some protection to procurements of this time. Specifically, Section 10-7-504(a)(18) provides:

Computer programs, software, software manuals, and other types of information manufactured or marketed by persons or entities under legal right and sold, licensed, or donated to Tennessee state boards, agencies, or higher education institutions shall not be open to public inspection, provided that computer programs, software, software manuals, and other types of information produced by state or higher education employees at state expense shall be available for inspection as part of an audit or legislative review process.

However, this language may be inconsistent with confidentiality language in some proposers' form contracts.

3. Remedies. Many proposers ask their customers to agree to certain forms of relief for breaches of contract which the State cannot agree to. Tennessee Constitution Article I, Section 17, provides that the State can only surrender its sovereign immunity in circumstances permitted by the Tennessee General Assembly. In the case of State contracts, the State has consented to be sued in the Tennessee Claims Commission under T.C.A. 9-8-307 et seq. The Claims Commission can award money damages against the State and provides for appeal to the Tennessee court system. However, the State cannot agree to many forms of remedy which proposers often request, such as injunctive relief, binding arbitration or mediation, jurisdiction in any court outside Tennessee, or the payment of court costs and attorney fees.

4. Restrictions on Use of Work Product. Many information technology contractors request that the State place limitations on its use of products supplied or developed under the contract. Such arrangements are scrutinized carefully by State government regulators due to concerns that the State is placing unwarranted burdens on its right to use its own property. Another concern is that a set of complicated restrictions on use will be burdensome to enforce for a product that will be used for many purposes over many years by a large government organization. The language on use of work products in the State pro forma contract has been developed based on considerable experience in dealing with information technology contractors. We are open to suggestions on amendments to this language but any negotiations must take the State's concerns into account.

ATTACHMENT 4

ATTACHMENT 6.2.b

SOFTWARE PROVIDER STATEMENT OF CERTIFICATIONS AND ASSURANCES

Each Software Provider of non-State standard software proposed in the RFP must complete and sign this Statement. (Form may be duplicated as necessary.) It must be signed, in the space below, by an individual empowered to bind the Software Provider to any Software License awarded pursuant to the RFP. If said individual is not the Software Provider's chief executive, this document shall attach evidence showing the individual's authority to bind the Software Provider.

SOFTWARE PROVIDER LEGAL ENTITY NAME:

SOFTWARE PROVIDER FEDERAL EMPLOYER IDENTIFICATION NUMBER:
(or Social Security Number)

The Software Provider does hereby affirm and expressly declare confirmation, certification, and assurance of the following:

- 1) This statement constitutes a commitment and confirmation that the Software Provider shall accept terms and conditions substantially similar to those set out in RFP Attachment 6.19, Software License.
- 2) The Software Provider shall comply with:
 - a) the laws of the State of Tennessee;
 - b) Title VI of the federal Civil Rights Act of 1964;
 - c) Title IX of the federal Education Amendments Act of 1972;
 - d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
 - e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government;
 - f) the condition that no amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Software Provider in connection with the Procurement under this RFP.

PRINTED NAME:

DATE:

SIGNATURE &
TITLE:

Signature

Title

ATTACHMENT 5

ATTACHMENT 6.3

TECHNICAL PROPOSAL & EVALUATION GUIDE — SECTION A			
PROPOSER NAME:			
RFP COORDINATOR NAME:		DATE:	
RFP COORDINATOR SIGNATURE:			
SECTION A — MANDATORY REQUIREMENTS			
<p>The Proposer must address ALL Mandatory Requirements section items and provide, in sequence, the information and documentation as required (referenced with the associated item references). The RFP Coordinator will review all general mandatory requirements, including but not limited to the following:</p> <ul style="list-style-type: none"> ▪ Proposal received on or before the Proposal Deadline. ▪ Technical Proposal copies and Cost Proposal packaged separately. ▪ Technical Proposal contains NO cost data. ▪ Proposer did NOT submit alternate proposals. ▪ Proposer did NOT submit multiple proposals in a different form. ▪ Technical Proposal does NOT contain any restrictions of the rights of the State or other qualification of the proposal. <p>The RFP Coordinator will also review the proposal to determine if the Mandatory Requirement Items (below) are met and mark each with pass or fail. For each requirement that is not met, the Proposal Evaluation Team must review the proposal and attach a written determination.</p> <p>NOTICE: In addition to these requirements, the State will also evaluate compliance with ALL RFP requirements.</p>			
Proposal Page # (to be completed by Proposer)	Mandatory Requirement Items		State Use ONLY
			Pass/Fail
	<p>A.1 Provide the Proposal Transmittal and Statement of Certifications and Assurances (detailed in RFP Attachment 6.2) completed and signed, in the space provided, by an individual empowered to bind the Proposer to the provisions of this RFP and any resulting contract.</p> <p><i>Each Proposer <u>must</u> sign the Proposal Transmittal and Statement of Certifications and Assurances without exception or qualification.</i></p>		
	<p>A.2 Provide the following by the Proposer as documentation of financial responsibility and stability.</p> <ul style="list-style-type: none"> ▪ a current signed and dated written bank reference, in the form of a standard business letter, indicating that 		

	<p>the Proposer's business relationship with the financial institution is in positive standing</p> <ul style="list-style-type: none"> ▪ a complete print-out of the most recent Dun & Bradstreet (D&B) Business Information Report™ for the Proposer, dated no earlier than July 31, 2005. (Submission of the D&B Number without the full report is insufficient.) If the Proposer is not registered with D&B, then Proposer may submit three current written, positive credit references, in the form of signed and dated standard business letters, from vendors with which the proposer has done business. ▪ copies of completed annual financial reports for the last two (2) fiscal years ▪ a copy of a valid certificate of insurance indicating liability insurance in the amount of \$1,000,000 	
	<p>A.3 Provide a statement of whether the Proposer or any individual who shall perform work under the contract has a possible conflict of interest (e.g., employment by the State of Tennessee) and, if so, the nature of that conflict.</p> <p><i>Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.</i></p>	
	<p>A.4 Provide evidence that the Proposer has completed, as the primary provider of implementation services, an implementation of an ERP system (including integrated financial management and human resources / payroll functionality) for a state or local government in the U.S. with total expenditures (including state and federal appropriations) of \$12 billion or more and at least 25,000 employees. Please refer to RFP Attachment 6.3, Section B.14, for reference information for budget and employees. As evidence of meeting this requirement, Proposer will complete a table listing all clients of the Proposer that meet the above criteria, with the name of the entity, budget, number of employees, the dates of the engagement, services provided by the Proposer, the engagement status as of RFP submission (complete, in progress, etc.), the products implemented and the modules/ functionality within those products that were deployed. At least one of the projects listed in this section must be one of the references for the <u>Proposer</u> in Section B.14.</p>	

	<p>A.5 Provide evidence that the proposed version of the ERP Software (including integrated financial management, procurement and human resources / payroll functionality) from the primary software vendor is currently in production in a public sector environment which includes, for the ERP software, a city, county or state government or a public or private higher education institution. Please refer to RFP Attachment 6.3, Section B.14, for reference information for budget and employees. As evidence of meeting this requirement, Proposer will complete a table listing all clients of the software vendor that meet the above criteria, with the name of the entity, budget, number of employees, the products implemented, the modules/ functionality within those products that were deployed with their respective production dates. At least one of the sites listed in this section must be one of the references for the Primary Software Vendor in Section B.14.</p>	
	<p>The following four (4) Questions (Sections A.6, A.7, A.8, and A.9) will be assessed during the initial Technical Proposal process. However, a final PASS/FAIL determination will not be rendered until after the Proposer has submitted the BAFO Technical Proposal, during Round 2.</p>	
	<p>A.6 RFP Attachment 6.11, State Technical and Architectural Requirements, Section 3.1, Mandatory Software, Hardware and Communication Standards: The Proposal must indicate the vendor's environment selection from the mandatory environment alternatives (RFP Attachment 6.11, Sections 6.11.3.1.1 or 6.11.3.1.2 or 6.11.3.1.3) and the vendor's agreement to utilize the mandatory environment and mandatory components to deliver the services of this RFP.</p>	
	<p>A.7 RFP Attachment 6.11, State Technical and Architectural Requirements, 6.11.3.2 Mandatory Technical and Architectural Procedures: For each of the procedures, the Proposal must indicate how the proposed solution adheres to the procedure. If a vendor deems a procedure not applicable to the proposed solution, the Proposal must indicate why.</p> <p>6.11.3.2.1: Remote Servers 6.11.3.2.2: Administrative Restrictions 6.11.3.2.3: N-Tier Deployment 6.11.3.2.4: Web Accessible</p>	

	<p>A.8 RFP Attachment 6.11, State Technical and Architectural Requirements, 6.11.6 Exception Request to State Standards: The Proposal must indicate if the solution utilizes <u>all</u> State standard software and hardware products, non-State standard products approved prior to submission of the Proposal, or non-State standard products <u>not</u> approved prior to submission of the Proposal.</p> <p>If the solution utilizes <u>all</u> State standard software, <u>no additional response is needed</u>.</p> <p>If the solution utilizes non-State standard product(s) for which exception request(s) <u>were submitted</u> to the State as Written Question(s) by any vendor, <u>no additional response is needed</u>.</p> <p>If the exception request for the non-standard product was approved, the Proposal will not be disqualified for utilizing the product (see RFP Attachment 6.11.6, item a.). If the exception request was not approved, the Proposal <u>may</u> be disqualified for utilizing the product (see RFP Attachment 6.11.6, item b.).</p> <p>If the solution utilizes non-State standard products for which an exception request was not submitted to the State as a Written Question, the Proposal must include <u>one</u> of the following (see RFP Attachment 6.11.6, item c):</p> <ol style="list-style-type: none"> 1. a statement confirming that the vendor will replace the non-State standard product with an equivalent State standard product, prior to implementation, with no increase in proposed cost. If the vendor does not agree to do this, the Proposal will be disqualified. <p><u>Or:</u></p> <ol style="list-style-type: none"> 2. a statement that there is no equivalent State standard product, along with the supporting documentation required by RFP Section 6.11.6.2 for the product. In this case, the State reserves the right to consider the proposed software on a case-by-case basis. The decision to allow or disallow such software shall be at the State's sole discretion; if the State decides to disallow the software, the State may disqualify the Proposal. 	
	<p>A.9 For each Software Provider providing non-Standard software for use in the ERP System--including the Integrator, if the Integrator is providing software--provide a <i>Software Provider Statement of Certifications and Assurances</i> (detailed in RFP Attachment 6.2.b) completed and signed, in the space provided, by an individual empowered to bind the Software Provider to the provisions of any Software License awarded pursuant to the RFP.</p> <p><i>Each Software Provider <u>must</u> sign the Software Provider Statement of Certifications and Assurances without exception or qualification.</i></p>	

ATTACHMENT 6

ATTACHMENT 6.5, PART B


COST PROPOSAL & SCORING GUIDE								
NOTICE TO PROPOSER: This Cost Proposal MUST be completed EXACTLY as required.								
PROPOSER NAME:								
SIGNATURE & DATE:								
<p><i>NOTE: The signatory must be an individual or a company officer empowered to contractually bind the Proposer. If the Signatory is not a Proposer company executive (president, vice-president, CEO), this Proposer SHALL attach evidence to this Cost Proposal showing the Signatory's authority to bind the Proposer.</i></p>								
<p align="center">CHANGE ORDER RATES SCHEDULE</p> <p>The change order rates, detailed below, shall indicate the proposed change order rates for processing all State approved change orders. All monetary amounts are United States currency.</p>								
<p>SUBSECTION 1 – CONTRACTOR STAFF HOURLY RATES.</p> <p>Note: The “Proposed Hourly Rates” quoted must be fully loaded to cover travel, meal, and lodging expenses associated with providing the services; the State will not pay travel-related expenses separately. The Proposer may enter zero (0) in a required Proposed Cost cell; however, the Proposer <u>must not</u> leave any required Proposed Cost cell blank. For evaluation and contractual purposes, the State shall interpret a blank Proposed Cost cell as zero (0).</p>								
Cost Item Description	Proposed Hourly Rate					State Use		
	Year 1	Year 2	Year 3	Year 4	Year 5	Sum	Weight	Weighted Cost
Project Manager							1	
Deputy Project Manager							1	
Configuration Manager							1	
Configuration Lead							2	
Configuration Consultant							3	
Technical Manager							1	
Technical Lead							2	
Technical Consultant							3	
Enterprise Readiness (Training/ Change Mgmt) Manager							1	
Training Consultant							3	
<p><i>The RFP Coordinator shall use the evaluation cost amount derived from the proposed cost amounts above and the following formula to calculate the COST PROPOSAL SCORE. Calculations shall result in numbers rounded to two decimal places.</i></p>								↓
<p align="right">Hourly Rate Evaluation Cost Amount:</p> <p align="center"><i>(sum of all weighted cost amounts above – will be summed with Evaluation Cost Amount below)</i></p>								

<div>Lowest Hourly Rate Evaluation Cost Amount from <u>all</u> Proposals</div> <div>Evaluation Cost Amount being evaluated</div>	<div>X 20</div> <div>(maximum section score)</div>	<div>= PART B</div> <div>SubSec. 1</div> <div>SCORE:</div>	
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SUBSECTION 2 – ADDITIONAL USER LICENSES.

The State has requested the Proposer to include in the Cost Proposal sufficient licenses for the foreseeable future as determined by the State. In the event additional licenses are required, the State is requesting pricing for these licenses. All additional license costs quoted below are for either (1) a block of an additional 100 licenses, or (2) an additional device license.

The Proposer may enter zero (0) in a required Proposed Cost cell; however, the Proposer must not leave any required Proposed Cost cell blank. For evaluation and contractual purposes, the State shall interpret a blank Proposed Cost cell as zero (0).

Cost Item Description	Proposed Fee for Either: (As Applicable) One (1) Additional Block of 100 User Licenses or One (1) Additional Device License	State Use	
		Weight	Weighted Cost
Core System Users (Plant Maintenance)		2	
Core System Users (Fleet Management)		2	
Core System Users (Budget Development & Administration)		2	
Core System Users (All Other HR, Payroll, Finance, Procurement and Logistics)		3	
Employee Self-Service Users		1	
Vendor Self-Service Users		1	
Insurance Self-Service Users		1	
Other Software: [SOFTWARE NAME]		1	
<i>The RFP Coordinator shall use the evaluation cost amount derived from the proposed cost amounts above and the following formula to calculate the COST PROPOSAL SCORE. Calculations shall result in numbers rounded to two decimal places.</i>			
User License Evaluation Cost Amount: <i>(sum of all weighted cost amounts above)</i>			
Lowest User License Evaluation Cost Amount from <u>all</u> Proposals <hr/> Evaluation Cost Amount being evaluated		X 10 <i>(maximum section score)</i>	= PART B Subsec. 2 SCORE:

Part B Subsection 1 Score, from above: (Hourly Rate Evaluation)	
Part B Subsection 2 Score, from above: (User License Evaluation)	
COST PROPOSAL PART B SCORE (sum of Subsections 1 and 2 scores)	

COST PROPOSAL SCORE (TOTAL OF PART A AND PART B)	= SCORE:	
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